

ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 8672


9090 HOUSE COMMUNITY & REGIONAL AFFAIRS



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1997-1998

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

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Official Business

Alaska State Legislature

State Capitol

Juneau, Alaska 99801-1182

HOUSE COMMITTEE ON COMMUNITY AND REGIONAL AFFAIRS

It is the recommendation of the House Community and Regional Affairs Committee that the legislature take action to disapprove Executive Order 100: Moving the "Silver Hand" Program from DCED to DOE, under Article 2, Section 23 of the Constitution of the state of Alaska.

The committee members have authorized the chair to introduce a special concurrent resolution for that purpose.

YES

NO

Date _____

Chair _____

TONY KNOWLES
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

EO 100
P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

January 12, 1998

The Honorable Gail Phillips
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Phillips:

I am transmitting an Executive Order to formally transfer the authentic Native handicraft identification seal program, known as the "silver hand" program, from the Department of Commerce and Economic Development to the Alaska State Council on the Arts.

This transfer places the program in an arm of state government more closely allied with the artistic nature of the articles that bear the program's seal. The council's general oversight of other artistic endeavors should allow for smooth integration of the administration of the silver hand program. The transfer will result in better efficiency and more knowledgeable application of the statutory provisions.

I urge your support of this Executive Order to help streamline state government operations.

Sincerely,



Tony Knowles
Governor



Alaska State Legislature

House of Representatives

State Capitol, Rm 216
Juneau, AK 99801-1182
(907) 465-3725
Fax: (907) 465-5334

Official Business

Office of the Chief Clerk

January 12, 1998

MEMORANDUM

TO: Community and Regional Affairs Committee

FROM: Suzi Lowell 
Chief Clerk

SUBJECT: Executive Order 100

The Speaker has referred Executive Order 100 to the Community and Regional Affairs Committee and the Labor and Commerce Committee consecutively. Pursuant to AS 24.08.210 the legislature has 60 days to disapprove the order. Unless disapproved by a special concurrent resolution, the order becomes effective. For the Twentieth Legislature, Second Session, the sixtieth legislative day will be March 12, 1998.

Please return all pertinent information to the Chief Clerk's Office on or before that date.

HB

35



REPRESENTATIVE ALAN AUSTERMAN Alaska State Legislature

P.O. Box 2368, Kodiak, Alaska 99615 (907) 486-5930 • Session: State Capitol, Juneau, Alaska 99801 465-2487

SPONSOR STATEMENT - HB 35

In 1988 the Alaska Regional Development Organizations program was created in statute. Commonly referred to as ARDOR's, they are private, nonprofit corporations formed by local initiative to promote private sector economic development within their designated regions.

The statutory authority for the program, previously AS 44.33.026, is now found in AS 44.47.900. The program was transferred by Executive Order 93, from the Department of Commerce and Economic Development to the Department of Community & Regional Affairs and is under the administrative oversight of the Division of Municipal & Regional Assistance.

The ARDOR program has led to the formation of 11 regional development organizations such as the Southwest Alaska Municipal Conference, the Southeast Conference, the Lower Kuskokwim Economic Development Council and the Anchorage Economic Development Corporation. Nearly two hundred representatives of local political, social and economic interests, who serve on ARDOR boards of directors, are working together to lead their regions to greater economic self-sufficiency.

The ARDOR grants, while not particularly large, are not tied to specific projects and so may be used for operating expenses and to leverage dollars from other sources. These are the hardest kind of dollars to find and are, therefore, extremely valuable to the organizations. Millions of additional dollars have been leveraged from federal, private and other funding sources.

ARDOR's are achieving significant success in sustainable development through the establishment of production and marketing cooperatives, improved access to capital, development and marketing of tourism destinations, technical assistance and training for local businesses and entrepreneurs, support to value added production and proactive involvement in locally initiated economic development projects.

Another important benefit afforded ARDOR's by statute is the ability of state agencies to enter into contracts, with them being exempt from a competitive procurement process. This has proven beneficial to ARDOR's, who are able to provide greater local expertise in service delivery or project implementation, and to state agencies who through the ARDOR's, are able to deliver services or projects more efficiently and with less administrative burden.

Sound economic development relies heavily on solid partnerships between the public and private sectors. The ARDOR's were conceived to facilitate this kind of partnering and to bring a regional perspective to the discussion of economic development issues.

The original legislation had a sunset clause that ended the program in 1993, but was extended until the end of fiscal year 1997. I believe it is in the best interest of the State of Alaska to continue the ARDOR program to insure the ongoing economic viability of Alaska's various regions.



REPRESENTATIVE ALAN AUSTERMAN Alaska State Legislature

P.O. Box 2368, Kodiak, Alaska 99615 (907) 486-5930 • Session: State Capitol, Juneau, Alaska 99801 465-2487

MEMORANDUM

DATE: January 29, 1997

TO: Representative Ivan Ivan, Chair
House Community & Regional Affairs Committee

FROM: Representative Alan Austerman, Chair
House Special Committee on Fisheries *Alan*

SUBJ: Request for Scheduling - House Bill 35

I respectfully request the House Community & Regional Affairs Committee, schedule a hearing for House Bill 35 at your earliest convenience.

This bill would extend the termination date of the Alaska Regional Economic Assistance Program.

Additionally, I would appreciate the community of Kodiak to be included for participation in this scheduled hearing through the LIO teleconference network.

Please contact Cliff Stone of my staff at 6588 as needed.

FISCAL NOTE

Revision Date: _____ Dept. Affected: Community & Regional Affairs
 Title: An Act extending the termination date of BRU: Community and Economic Development
the Alaska regional economic assistance ... Component: Community and Economic Development
 Sponsor: Rep. Austerman
 Requestor: House C&RA COMPONENT SERIAL NO. 2151

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 03	FY 04
PERSONAL SERVICES	46.4	46.4	46.4	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	620.0	620.0	620.0	0.0	0.0	0.0
MISCELLANEOUS						
TOTAL OPERATING	666.4	666.4	666.4	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (I/A)	666.4	666.4	666.4	0.0	0.0	0.0
TOTAL	666.4	666.4	666.4	0.0	0.0	0.0

POSITIONS

FULL-TIME	00	00	00	00	00	00
PART-TIME	10	10	10	00	00	00
TEMPORARY						

Estimate of current (FY97) impact \$ none

ANALYSIS: (Attach a separate page if necessary)

This bill continues the Alaska Regional Development Organization (ARDOR) program for three more years (FY 98-00). Interagency receipts from the Alaska Industrial Development and Export Authority will fund the program in FY98 and until the ARDOR program sunsets as provided in the bill. There are 12 ARDORs covering most regions of the State. The amounts above are presented for information purposes only - they reflect amounts requested in the FY 98 Governor's budget request.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Division of Administrative Services Date: 1/30/97
 Approved by Commissioner: *Michelle Durbin* Date: 1/30/97
 Agency: Community & Regional Affairs

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Article 9A. Regional Economic Assistance Program.**Section**

900. Alaska regional economic assistance program

Effective dates. — Section 8, E.O. No. 93, makes this article effective July 1, 1996.

Sec. 44.47.900. Alaska regional economic assistance program. (a) The department shall

(1) encourage the formation of regional development organizations by providing assistance in forming organizations to interested individuals, including information on how to qualify and apply for regional development grants and federal funding under 42 U.S.C. 3121 — 3246 (Public Works and Economic Development Act of 1965), as amended;

(2) assist an interested individual in establishing boundaries for a proposed organization to ensure that the region:

(A) is of sufficient geographic size and contains a large enough population to form an economically viable unit with shared interests, resources, traditions, and goals;

(B) contains at least one municipality that serves as a regional center; and

(C) contains the entire area of each municipality included in the region;

(3) gather information about regional economic issues, international trade, and tourism from organizations;

(4) serve as liaison between organizations and other state agencies and encourage other agencies to make resources available to help accomplish goals of the organizations;

(5) assist each organization to

(A) provide services designed to encourage economic development to local communities and businesses;

(B) collect and distribute economic information relevant to the region;

(C) participate in state marketing campaigns and join state trade missions that are relevant to the region; and

(D) develop and implement strategies to attract new industry, expand international trade opportunities, and encourage tourism within the region.

(b) Subject to (c) of this section, the department may make regional development grants to organizations for projects the department determines will be of value in encouraging economic development. During a fiscal year the department may make no more than 15 grants and may only make grants to one organization from a particular region. An organization that is designated an economic development district under 42 U.S.C. 3171 qualifies for grants under this subsection. The department shall by regulation adopt procedures for applying for regional development grants, including application deadlines. The department may by regulation establish additional grant eligibility requirements.

(c) To qualify for a grant, a regional development organization must match the grant by providing an amount of money from nonstate sources. The department shall establish by regulation a formula that determines the amount of the match required under this subsection based upon the capability of each organization to generate money from nonstate sources. The amount of match required may not exceed the amount of grant money and may not be less than 20 percent of the grant. The total amount of grant money provided to an organization during a fiscal year may not exceed \$100,000.

(d) There is established in the department the regional development fund consisting of appropriations to the fund. Money from the fund may be used only for regional development grants.

(e) In this section, "regional development organization" or "organization" means a nonprofit organization or nonprofit corporation formed to encourage economic development within a particular region of the state that includes the entire area of each municipality within that region and that has a board of directors that represents the region's economic, political, and social interests. (E.O. No. 93 § 4 (1996))

Repeal of section. — Under § 3, ch. 94, SLA 1988, as amended by § 1, ch. 35, SLA 1992 and § 6, E.O. 93, this section is repealed effective July 1, 1997.

Cross references. — For transitional provisions relating to the 1996 transfer of responsibility for the

Alaska regional economic assistance program from the Department of Commerce and Economic Development to the Department of Community and Regional Affairs, see § 7, E.O. 93, in the Executive Orders pamphlet.

Article 10. General Provisions

Section 980. Regulations 998. Definitions

Sec. 44.47.980. Regulations. The department may adopt regulations in accordance with AS 44.62 (Administrative Procedure Act) to carry out the purposes of this chapter. (§ 2 ch 200 SLA 1972)

Revisor's notes. — Formerly AS 44.47.160. Re-numbered in 1980

Sec. 44.47.998. Definitions. In this chapter

- (1) "commissioner" means the commissioner of community and regional affairs;
- (2) "community" means home rule cities and boroughs, cities and boroughs of any class, and unorganized boroughs and villages that are social units;
- (3) "department" means the Department of Community and Regional Affairs;
- (4) "region" means an area larger than a community, or including all or part of more than one community, but sufficiently integrated that it may be treated as a unit for administration of particular services. (§ 2 ch 200 SLA 1972)

Revisor's notes. — Formerly AS 44.47.170. Re-numbered in 1980

Chapter 50. Notaries Public.

Section 10. Appointment and commission 20. Qualifications 30. Term of office 40. Fees 60. Duties 70. Presence and identification required 80. Seal 90. Protest of bill or note 100. Return of papers to lieutenant governor 110. Application of Administrative Procedure Act to revocation of notary commission

Section 120. Bond 130. Filing oath and bond 140. Disposition of bond 150. Copy of bond as evidence 160. Misconduct or neglect 170. State employees as notaries 180. Postmasters as notaries 190. Savings clause

Revisor's notes. — In 1971 "lieutenant governor" was substituted for "secretary of state" in this chapter to conform with the 1970 amendment to the state constitution

Cross references. — For provisions governing oaths, acknowledgments and related matters, see AS 09.63



Alaska Regional
Development Organizations
ANNUAL REPORT

March 1996

ALASKA REGIONAL DEVELOPMENT ORGANIZATIONS

ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION

Designation Date: April 11, 1989
Max Lowe, Chairman
Patricia DeMarco, President
550 West 7th Avenue, Suite 1400
Anchorage, AK 99501
Phone: 258-3700 Fax: 258-6646

ARCTIC DEVELOPMENT COUNCIL

Designation Date: March 1, 1991
David Baker, President
Don Schindler, Executive Director
P.O. Box 1353
Barrow, AK 99723
Phone: 852-4146 Fax: 852-2683

COPPER VALLEY ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1990
Carol Neeley, President
Donna Tollman, Executive Director
P.O. Box 9
Glennallen, AK 99588
Phone: 822-5001 Fax: 822-5009

KENAI PENINSULA BOROUGH ECONOMIC DEVELOPMENT DISTRICT

Designation Date: February 22, 1989
James Elson, Chairman
Stan Steadman, Executive Director
P.O. Box 3029
Kenai, AK 99611
Phone: 283-3335 Fax: 283-3913

LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL

Designation Date: September 17, 1991
Andrew Guy, Chairman
Carl Berger, Executive Director
P.O. Box 2021
Bethel, AK 99559
Phone: 543-5967 Fax: 543-2255

LOWER YUKON ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1991
Larry Lujan, President
Susan Anderson, Executive Director
P.O. Box 2021
Anchorage, AK 99524
Phone: 271-2424 Fax: 271-3951

MAT-SU RESOURCE CONSERVATION AND DEVELOPMENT, INC.

Designation Date: November 1, 1993
Ted Smith, President
Douglas Smith, Executive Director
351 West Parks Highway, Suite 100
Wasilla, AK 99654
Phone: 373-1062 Fax: 373-1064

NORTHWEST ARCTIC BOROUGH ECONOMIC DEVELOPMENT COMMISSION

Designation Date: June 28, 1989
Charlie Curtis, Chairman
Jeff Hadley, Executive Director
P.O. Box 1110
Kotzebue, AK 99752
Phone: 442-2500 Fax: 442-2027

PRINCE WILLIAM SOUND ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1991
Jackie Robb, President
Paul Roetman, Executive Director
P.O. Box 2353
Valdez, AK 99686
Phone: 835-3775 Fax: 835-5770

SOUTHEAST CONFERENCE

Designation Date: April 14, 1989
J. Allan MacKinnon, President
Berne Miller, Executive Director
124 West Fifth Street
Juneau, AK 99801
Phone: 463-3445 Fax: 463-4425

SOUTHWEST ALASKA MUNICIPAL CONFERENCE

Designation Date: April 6, 1989
Alice Ruby, President
Mary Stadium, Executive Director
3300 Arctic Boulevard, Suite 203
Anchorage, AK 99503
Phone: 562-7380 Fax: 562-0438

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ARDOR Association

March 1996

Members

Donna Tollman, President
Copper Valley Economic
Development Council

Stan Steadman, Vice President
Kenai Peninsula Borough
Economic Development District

Susan Anderson, Secretary
Lower Yukon Economic
Development Council

Paul Rortman, Treasurer
Prince William Sound Economic
Development Council

Patricia DeMarco
Anchorage Economic
Development Corporation

Don Schindler
Arctic Development Council

Carl Berger
Lower Kuskokwim Economic
Development Council

Douglas Smith
Mid-South Resources
Conservation and Development
Corporation

Jeff Halley
Northwest Arctic Borough
Economic Development
Commissioner

Herrie Miller
Southwest Conference

Mary Stadium
Southwest Alaska Municipal
Conference

Dear Reader,

As we approach the seventh anniversary of designation of the first Alaska Regional Development Organization (ARDOR), there are many accomplishments to point to and many challenges that remain.

During this time, the very real need for regional economic development planning and program implementation has become increasingly evident. Each ARDOR office has not only become a focal point for development activity in its region but increasingly local residents and organizations are looking to ARDORs for economic development services and leadership. At the same time, the challenge has become even greater to find the resources necessary to carry out this important work.

Three years ago, the Alaska Legislature had the foresight to grant state agencies the authority to enter directly into contracts with ARDORs. As both federal and state agencies look for ways to downsize, while still providing a necessary level of public service, ARDORs are proving to be logical choices to bring the delivery of those services closer to the users and at a lower cost. This approach is typical of the national movement to the regionalization of federal and state program delivery and provides many opportunities for increased efficiencies and greater local participation in determining and meeting community needs.

During 1995, the ARDORs not only carried out significant economic development programs within their individual regions, but worked together on a number of projects with statewide implications. Additionally, ARDORs rededicated themselves to insuring high-level operating standards and accountability for the productive use of public and private resources.

As we prepare to enter the 21st century, the members of the ARDOR Association are committed to developing strong regional economies and healthy communities for Alaskan families throughout our state.

Sincerely,

Donna Tollman
President



The Year in Review

"I'm a firm believer in the long range planning aspect of regional development and the strength of local input and ownership that it provides."

*Dave Cobb, Business
Manager, Valdez
Fishes Development
Association*

The Alaska Regional Development Organizations (ARDOR) program was conceived and implemented for the purpose of establishing a network of regional organizations to plan and promote economic development at the regional level. In 1988, the Alaska Legislature established the program in statute in support of the widely held belief that locally driven initiatives, in partnership with the state, can most effectively stimulate economic development and produce healthy, sustainable local economies.

To qualify for designation as an ARDOR, applicant organizations must meet specific criteria that insure their broad-based public and private sector support as well as carry out detailed work programs that address their region's economic development needs. The program allows maximum flexibility for determining local priorities but it requires that ARDORs retain qualified, professional staff to administer their programs. Additionally, ARDORs are charged to work with the private sector, local communities, development agencies and organizations within their regions to produce a regional development strategy. This document, which must be updated every two years, provides the framework for development activities undertaken by the organizations.

Since its inception, the ARDOR program has been administered by the Division of Trade and Development within the Department of Commerce and Economic Development. The division's role has been to review annual ARDOR work plans, award and administer matching grants in support of those efforts and provide technical and professional support to ARDORs to help them achieve their goals. This level of support has been made possible with annual grants from the U.S. Economic Development Administration (EDA) matched with state CIP dollars. All state operating budget appropriations to the program have been passed directly to the ARDORs.

In FY97, administrative responsibility for the ARDOR program is proposed to be transferred to the Department of Community and Regional Affairs. Additionally, the state has been notified that grants from the EDA will no longer be available to underwrite the cost of support services to ARDORs. The coming year will certainly require some adjustments on the part of the ARDORs and the state agency with whom they will be most closely associated.

In FY96, the legislature appropriated \$650,000 for financial support to ARDORs; a \$250,000 decrease from FY95. This provides funding of approximately \$55,000 to each designated



organization. Even this modest investment enabled ARDORs to leverage an additional \$5.9 million from federal, private and other funding sources. Most impressive is the growth in ARDOR revenues derived from fees for services which grew from \$557.0 in FY95 to \$3,177.7 to date in FY96. This reflects the increased confidence other public and private organizations have in ARDORs as they contract with them to implement projects and deliver services to user groups in their regions.

As part of their commitment to quality management and a strong public image, late in FY95 the ARDORs underwent a compliance review which resulted in one organization voluntarily ceasing operations and a second organization losing its designation as an ARDOR. This was followed by a second ARDOR losing its designation in the first half of FY96. In each case, the inability of the ARDOR to function at an appropriate level was a result of the lack of strong support for the organization from within its region. Happily, efforts are now underway to structure new ARDORs in two of those regions and it is anticipated that they will soon again be fully participating in the program.

As part of the FY96 funding application process, all ARDORs completed a self-administered survey to evaluate the degree to which they are engaged in appropriate economic development activities and operate consistent with sound management practices. The results of this survey have been analyzed and the survey instrument is being modified for continued use as a management tool.

Finally, amendments to the regulations under which the ARDOR program is administered have been proposed. Scheduled for release for public comment soon, these amendments simplify program administration and clarify ambiguous language which results in differing interpretations of program intent and regulatory requirements.

It has been a year of challenges and accomplishments for ARDORs and the future looks no less demanding. But with each year, the need for regional development organizations becomes evermore apparent and the only acceptable response must be to redouble our commitment to building strong regional economies for the benefit of all Alaskans.

"The success of SWAMC and all regional development organizations will ensure success in the region, the state and the country as a whole. People and communities who are self-reliant and feel they can contribute will always be an essential asset to the country."

*Jack McFarland,
Director, SWAMC*



Anchorage Economic Development Corporation

Patricia M. DeMarco, Ph.D., President

"The ARDOR network is one of the most effective mechanisms for coordinating activities across the entire state. The regular contact mechanism and professional responsiveness of the ARDORs make economic development efforts better integrated without losing focus."

Max Lowe,
Chairman of the Board,
AEDC

The Anchorage Economic Development Corporation (AEDC) is a private nonprofit corporation with support from over 150 private firms, the City of Anchorage and the State of Alaska. The AEDC promotes business development by attracting new business, expanding existing businesses, and promoting opportunities for international trade.

Many successful marketing programs and activities were conducted in 1995. Following are examples of AEDC's major 1995 accomplishments:

- Continued support of the statewide BUY ALASKA program generated 185 jobs. By encouraging the use of Alaska made goods and services, \$12.35 million was added to or retained in the Alaska economy.
- Submitted company-specific proposals to three major firms considering Anchorage as a location for distribution operations. Continued intense follow up with these and other global logistics prospects.
- Published a winter tourism needs assessment and began pursuing development of the recommended infrastructure projects.
- Initiated the formation of the Alaska High-Tech Business Council to be chartered in early 1996, to support and promote Alaska's high tech industry.
- Continued work with Alaska and Hawaii senators on a visa waiver proposal to allow more Koreans to travel to these two states. Continued heavy promotion of Alaska as a year-round destination to tourists from Korea and Japan and completed an Alaska travel manual for Korean travel agents.
- Collaborated with the Kenai, Mat-Su and Fairbanks ARDORs to deliver a presentation about investment opportunities in Alaska to delegates to the USA-Republic of China Joint Business Council conference held in Alaska in September 1995.
- Presented informational seminars about Alaska in Boston, Minneapolis and Chicago; producing many viable business development contacts.
- At the request of Mayor Myster, began facilitation of the Anchorage Seafood Industry Task Force to find ways to provide more of the support services for the seafood industry from within Alaska.
- Increased communication with companies in Alaska as well as outside by developing a Home Page on the Internet (<http://www.alaska.net/~aedc/>) and conducting a direct mail program to outside companies. These efforts resulted in over 5,000 new business contacts for AEDC.

AEDC's 1996 work plan calls for continued business development in the target industries of international cargo services, manufacturing and distribution, winter tourism infrastructure, seafood processing, headquarters employment and knowledge intensive industries.

Board of Directors: Max J. Lowe, Chairman

- Dennis C. Bird
- Ernest E. Hall
- B. John Shipe
- Michael F. Brady
- Rick L. Nerland
- Mike E. Stone
- Fuller A. Cowell
- Mel R. Nichols
- Phil A. Thingstad
- George R. Findling
- Tenny B. Owens
- Dana L. Tindall
- Jim M. Gorski
- Robert C. Penney



Arctic Development Council

Don Schindler, Executive Director

The Arctic Development Council is the lead development agency for the North Slope Borough. Created by the region's business leaders in 1991, it provides a vital and necessary forum for representatives of major public and private entities to address regional issues at a grassroots level. Highlights of last year include:

Small Business Support Services

- Nearly 900 client contacts. Primary contact categories:
 - General business information (21 percent)
 - Business breakfasts/training workshops (19 percent)
 - Requests for loan and financial information (13 percent)
 - Requests for Mayor's Mini-Grant program information (5 percent)
- Completed outreach plan for village-based business support services
- Conducted KUVRAQ I entrepreneurial training program with six graduates
- KUVRAQ I and II training programs scheduled for March 1996
- Grant writing assistance:
 - Two RDA applications for City of Anaktuvuk Pass; one funded
 - Provided information on grant and loan availability to over 250 clients
- Contract assistance:
 - Consultation to Pt. Lay on development of fuel delivery alternatives
- Training and Referrals:
 - Four workshops on small business start up and management topics

Small Business Incubator Services

- Opened for business July 1995; first tenant admitted November 1995
- Services provided to incubator clients include:
 - Shared secretarial and office support
 - Photocopying and clerical support
 - Access to business library and data terminals
 - Building security and professional building management
- Received Alaska Municipal League Award of Excellence in *Innovation in Economic Development* category

Revolving Loan Fund

- Revolving Loan Fund Implementation Plan submitted to borough for "seed" capitalization
- Possibility of federal match for borough capitalization appears likely
- Plan provides micro-loans of \$5.0 to \$15.0 for working capital and inventory purchases
- ADC role as community lender permits growth into funding source for larger fixed asset financing

Board of Directors: David Baker, President

- | | | |
|--------------------|-----------------|---------------------|
| • Brian Bazzett | • Jessie Kaleak | • Ben Nageak |
| • Robert Harcharek | • Tony Kesler | • Grant Thompson |
| • Robin Harrison | • Bruce Kleven | • Jim Vorderstrasse |
| • David Hoffman | • Price Leavitt | |

"The Arctic Development Council is a very needed organization. It is helping small businesses form in Barrow and our outlying communities. It is extremely important to help these small businesses get going, especially in this region which is dependent on such a high percentage of government jobs."

Grant Thompson,
President, Cape Smythe
Air Service



Copper Valley Economic Development Council

Donna Tollman, Executive Director

"The CVEDC is responsible for many activities that have gone a long way toward bettering the quality of life in our region. The ARDOR program has reinvigorated us and created more excitement and interest in this community than we've seen since construction of the pipeline."

*Theresa Absher, CVEDC
Director*

The mission of the Copper Valley Economic Development Council (CVEDC) is to coordinate public and private resources in the Copper Valley region to create an environment in which economic development can occur. CVEDC has a number of projects underway to further our goals and objectives for economic development in the Copper Valley region of Alaska.

Installation of the Interactive Distance Learning/Medical Link project is underway. This project will provide interactive television linkage to seven communities' school sites, three medical clinics and Prince Williams Sound Community College to provide expanded educational, medical, and work force development and training opportunities.

Visitation to the Copper Valley continues to increase as the National Park Service advances its plans to build a new Visitor Center and Park Headquarters to serve the Wrangell St. Elias National Park and Preserve. The Kennicott/McCarthy area is receiving increased visitation, which, in turn, is creating a number of opportunities for residents throughout the region. CVEDC is working on a number of hotel and restaurant development projects, as well as smaller businesses to accommodate the needs of the visitors and local residents.

CVEDC continues to provide assistance to local communities with project development, day care assistance, business information, business planning, financing and funding information and job training. The ARDOR provides a strong linkage between the region's public and private sectors.

Affordable energy remains a key barrier to economic development in the region. CVEDC and its board of directors feel the Sutton to Glennallen Interie is the long-term solution to overcoming this barrier. The construction of the line would ultimately mean a better bottom line for existing business and would make new business development a feasible proposition.

Board of Directors: Carol Neeley, President

- Theresa Absher
- Mary Bowman
- John Downes
- Darby Hobson
- Vickie Nelson
- Thelma Schrank
- Will Tipton
- Susan Wingham



Kenai Peninsula Borough Economic Development District

Stan Steadman, Executive Director

The KPBEDD mission is to serve the residents of the Kenai Peninsula Borough by enhancing the quality of life through responsible and sustainable regional economic development activities. To further the mission, the KPBEDD managed a variety of projects in 1995 which are leading to significant development activities.

- **Expanded Infrastructure:** analyzed natural gas access to Homer, Seward, and communities in between; planned for development of a world-class volcano interpretive center between Anchor Point and Ninilchik; participated on team to establish a shellfish research and hatchery facility in Seward and shellfish nursery in Kachemak Bay; studied economic impact of expanded ice rink development in communities throughout Kenai Peninsula; and served on teams to develop a Challenger Learning Center in Kenai and make downtown improvements through Soldotna Main Street Program.
- **Opportunities for Entrepreneurs:** administered a \$280,000 revolving loan fund which has provided financing to 13 businesses; established UAA/ Small Business Development Subcenter which provided training, consultation and other technical assistance; established Business Innovation Center (small business incubator); awarded one of six national Ford Foundation/National Association of Development Organizations Partnership Grants to establish Youth Enterprise Development Project.
- **Community Capacity Building:** provided administrative and/or technical support to the Kenai Peninsula Tourism Marketing Council, Kenai Peninsula Resource Conservation and Development District, Kachemak Shellfish Mariculture Association, Healthy Communities-Healthy People, Kenai Peninsula Opportunities, and the Peninsula School-To-Work Program.
- **Information and Publications for Economic Opportunities:** published Situation & Prospects (S&P), Quarterly Update, Overall Economic Development Plan: 1995 - 96 Update, and EDD Update; provided funding support for Kenai Peninsula Meeting Planner Guide, and distributed Kenai Peninsula Borough Prospectus.
- **Developing Markets:** facilitated Russian exchanges with Sakhalin region in cooperation with Russian American Center and in anticipation of local oil and gas industry involvement; organized trade missions to Russia and sister city, Akita, Japan.

These projects resulted in the involvement of over six hundred residents on boards, councils, task forces, and oversight committees. 1995 was a productive year for Kenai Peninsula economic development efforts.

"It wasn't many years ago that people from the various Kenai Peninsula communities had a difficult time discussing a regional issue, let alone working together to resolve one. Today, with the KPBEDD's help as a facilitator and forum for region-based cooperative efforts, people and communities through out the borough routinely interact for the mutual benefit of all. The ARDOR program is one of the major reasons this has become possible."

Jeff Murphy, KPBEDD Director

Board of Directors: James A. Elson, Chairman

- | | | |
|--------------------|---------------------|---------------------|
| • Louis Bencardino | • Harry E. Gregoire | • Jeff Murphy |
| • Jack Brown | • Debra Horne | • Ray Springer |
| • Penny Carty | • Tom Manninen | • Drew Scalzi |
| • Jim Chambers | • Sharon Mook | • Mary Tougas |
| • Kurt Eriksson | • Philemon Morris | • Jefferson Trenton |

- ◆ 1 Anchorage Economic Development Corporation
- ◆ 2 Arctic Development Council
- ◆ 3 Copper Valley Economic Development Council
- ◆ 4 Kenai Peninsula Borough Economic Development District
- ◆ 5 Lower Kuskokwim Economic Development Council
- ◆ 6 Lower Yukon Economic Development Council
- ◆ 7 Mat-Su Resource Conservation & Development Corporation
- ◆ 8 Northwest Arctic Borough Economic Development Commission
- ◆ 9 Prince William Sound Economic Development Council
- ◆ 10 Southeast Conference
- ◆ 11 Southwest Alaska Municipal Conference
- Regions not currently organized



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Unalaska

Kotzeb

McGrath

Dillingham

Alaska Regional Development Organizations

- 1 Anchorage Economic Development Corporation
- 2 Arctic Development Council
- 3 Copper Valley Economic Development Council
- 4 Koyuk Peninsula Borough Economic Development District
- 5 Lower Kuskokwim Economic Development Council
- 6 Lower Yukon Economic Development Council
- 7 Mat-Su Borough Council of Economic Development
- 8 Northwest Arctic Borough Economic Development Commission
- 9 Prince William Sound Economic Development Council
- 10 Southeast Council
- 11 Southeast Alaska Municipal Conference
- 12 Unalaska and surrounding islands



Alaska Regional Development Organizations





Lower Kuskokwim Economic Development Council

Carl Berger, Executive Director

"Starting a new business is like caring for a baby. The baby is helpless and you must do whatever has to be done to meet its needs and keep it healthy so it will grow and prosper."

Alexie Jimmie, LKEDC
Director

The Lower Kuskokwim Economic Development Council (LKEDC) is a nonprofit 501c(3) corporation designed as a partnership of the private and public sectors of the Lower Kuskokwim region, with broad representation from the sixteen-member board of directors.

The mission of the Lower Kuskokwim Economic Development Council is to promote regional economic development activities in Bethel and the surrounding Lower Kuskokwim villages, including local planning and assistance in securing funding for small business activities and the preparation of grant proposals to fund village economic development and infrastructure needs.

Currently, the council is involved in the following activities:

- Valued-added fish processing and production in the region, to supply schools and local institutions with salmon nuggets and other fish products and to create local employment.
- Establishing a joint venture with a boat-building company from outside the region to produce boats locally for village use and to create local employment.
- Establishing tourism-related businesses in selected villages in the region. Developing accommodations, services and infrastructure in all area villages to meet the needs of the traveling public.
- Forming a partnership with the Bethel Chamber of Commerce to carry out their activities and promote participation in the Chamber by businesses from throughout the region.
- Developing a locally-based, value-added fur production industry in area villages.
- Providing capacity building to village organizations for the establishment and growth of local small businesses.
- Assisting the fish processing facility in Quinhagak to become operational.
- Utilizing the Mekoryuk reindeer processing facility for processing of halibut and other fish species.

Board of Directors: Andrew Guy, Chairman

- | | | |
|-----------------------|------------------|-------------------|
| • Max Angellan | • Alexie Jimmie | • Myron Naneng |
| • Sam George | • Harold Jones | • Robert Nick |
| • Rep. Richard Foster | • Gary Korthuis | • Fred Phillip |
| • Sen. Lyman Hoffman | • Jackson Lomack | • Carolyn Walters |
| • Rep. Ivan M. Ivan | • Ted Moses | |



Lower Yukon Economic Development Council

Susan Anderson, Executive Director

The Lower Yukon Economic Development Council (LYEDC) is a private, nonprofit corporation whose board of directors represent the ten villages and the major businesses in the region. The strength of both LYEDC and its initiatives lies in its board of directors.

LYEDC's board is made up of community and business leaders whose goals reflect those of the region's residents. It is key to ensuring that the organization skillfully serves the region and its people. The board has begun the process of updating LYEDC's Regional Development Strategy. This plan identifies long-range goals which LYEDC will play a role in achieving which include expanding business opportunities and increasing value added production in the region.

Since its formation, the Lower Yukon Economic Development Council has worked to enhance the economic well-being of the region by first encouraging a "can-do" spirit among its residents. With this spirit in place, the LYEDC has been able to help identify economic opportunities and assist local residents in the development and realization of their goals. LYEDC achieves this by facilitating the inflow of information and new ideas to the region as well as by raising the awareness of state and federal agencies of the conditions and opportunities on the Lower Yukon.

Much of this effort has resulted in productive partnerships with other economic development organizations which bring increased project funding and services to local residents. These partnerships include:

- **CDQ - ARDOR Business Assistance Partnership Agreement**
The ARDOR is providing technical assistance to fishermen and fisheries related businesses in the CDQ villages. In addition, the ARDOR will train local CDQ representatives to provide these services in the future.
- **RECD AmeriCorps - ARDOR Community Development Project**
The USDA Rural Economic and Community Development Service awarded LYEDC seven AmeriCorps slots to provide community organizing and development services within the region. This partnership has the added benefit of training local people in the concepts and practice of community and economic development.
- **IRS - ARDOR Tax Payer Education in the Schools Program**
The IRS, in partnership with LYEDC and the Lower Yukon school districts, is offering tax preparation classes in each of the region's schools. These classes will not only aid the students as they grow older, but also allow them to charge for tax preparation services in the villages, both providing a valuable service and producing income for savings or investment.
- **RECD - ARDOR Leading Communities Project**
In May, RECD proposed a cooperative project whereby government agencies and ARDORs work together through a community liaison to concentrate economic development resources on that community. This project has so far led to the development of projects in housing and the environment.

Board of Directors: Larry Lujan, President

- Edward Adams
- Bill Alstrom
- Nick Andrew
- Andrew Brown, Sr.
- Joe Evan
- Kay Johnson
- Andrew Kelly, Sr.
- Dan Kirby
- Alvin Owletuck, Sr.
- George Owletuck
- Laura Perez
- Paul Phillip
- Anthony Ulak
- Caroline Ulak

"LYEDC has done an excellent job of pulling economic development resources to the Lower Yukon. We are lucky to have an office in Anchorage which can hear our concerns and promote the well being of this region."

Scott Wagner, Alakanuk



Mat-Su Resource Conservation and Development, Inc.

Douglas Smith, Executive Director

"Our challenge is to identify opportunities to achieve a consensus that will result in solid accomplishments. Our success will be measured by the improvements in our quality of life."

Ted Smith, President,
Mat-Su RC&D

Mat-Su Resource Conservation & Development, Inc. (Mat-Su RC&D) represents a partnership of the Natural Resource Conservation Service (NRCS) and the ARDOR program. This alliance pools our limited financial resources and allows concentration on the goals of development.

The Matanuska Susitna Borough faces many challenges in the creation of a solid economic base. Nearly 40 percent of our residents work outside the borough; perhaps due to high unemployment rates and lower wages in the Mat-Su. Yet, our population has increased at three times Alaska's average rate over the past 13 years. To meet these demands Mat-Su RC&D is working with the borough in several areas including promotion of infrastructure, recreation and tourism facilities and the wise use of our natural resources.

Projects underway or completed in this past year include the following:

Marketing Port MacKenzie: Created and distributed a Port Prospectus targeting industrial companies looking for expansion or relocation. This is a regional economic development project with potential to provide direct access to the resources of Alaska's Interior.

Hatcher Pass Task Force: Formed a task force to deal with obstacles in development of a local ski facility. Mat-Su RC&D made recommendations to the Mat-Su Borough, presentations to local Chambers of Commerce, and helped to move the community toward consensus.

Constructed Wetlands: Mat-Su RC&D is working with a citizen-based effort to build a playground in Wasilla. The playground will be designed and built by the community and financed through private donations.

Other projects include assistance to Alaska Glacier Valley Grains, the Center for Appropriate Technology, Alaska Bed & Breakfast Association, Knik Glacier Access Project, Big Lake Hatchery, and a Timber Bridge demonstration project.

Mat-Su RC&D is made up a diverse board of directors which provides the depth of knowledge and experience needed to respond to the many issues confronting our region.

Board of Directors: Ted Smith, President

- | | | | |
|-----------------|----------------------|------------------|-----------------|
| • Freeda Adams | • Dan Deedy | • Steve Levine | • Darci Salmon |
| • Cindy Bettine | • Rose Marie DePrest | • Carol Meyer | • Calvin Steele |
| • Shane Bignell | • John Eder | • Doug Mills | • Dick Zobell |
| • John Bogue | • Clarice Furbush | • Rose Palmquist | |
| • Jim Carter | • Henry Guillette | • Jackson Parry | |



Northwest Arctic Borough Economic Development Commission

Jeffery Hadley, Executive Director

The Northwest Arctic Borough Economic Development Commission's updated and adopted Overall Economic Development Plan opened the way for federal assistance programs to help fund local projects. That this document reaffirmed projects identified in an earlier application, which resulted in the award of Champion Community status, had some pleasant consequences. The Kiana Traditional Council received USDA funding for an arts and crafts facility and the Buckland IRA Council was awarded funds by the Administration for Native Americans to begin production and sale of Native food products, including smoked meats and berry preserves.

A video, promoting tourism visitation to the region, has been completed with the support of more than \$60,000 in services contributed by local businesses. Soon, the NABEDC will have the capability to produce compact disks from videos and will consider producing a CD for computer use, not only for distribution to travel agents but also for sale over the Internet.

The Kiana Rapid Response System for village fire fighting has been set up and packaged for export to other communities. This system is sold as a package, which includes hardware and training of the community volunteer fire department for quick response to fires. Arctic Novelties Manufacturing in Kotzebue received an RDA mini-grant for production equipment for Arctic Igloo kits. Kiana is now making a small amount of profit on its tourism trade, which is still in the test marketing stage. Buckland IRA and an anthropologist will be collaborating on producing a compact disk for educating school children about beluga whale hunting. A commercial CD on the same topic is also under consideration for sale over the Internet.

Currently, the only local access to the Internet is through an AlaskaNET switch in Kotzebue and its access is limited to Prodigy. Working with the local telephone cooperative, it appears better access will be available in the near future. The village schools now have an 800 dial up e-mail and bulletin board service available to them, which was secured the NABEDC.

NW_Arctic_Borough@prodigy.com is the address to use to contact the NABEDC via e-mail. A web page will be available before June 1996.

Alaska's real future lies in its ARDORs. When the oil is gone, Alaska will look to its grass roots organizations for the help it needs to continue economic growth."

*John Downes, CVEDC
Director*

Board of Directors: Charlie Curtis, Chairman

- Joe Ballot
- Reggie Cleveland
- Donald Dorsey
- Chuck Greene
- Frank Greene
- Ralph Hargraves
- Jason Jessup
- Alex Navarro
- Doug Neal
- Brad Reeves
- Randy Swenson



Prince William Sound Economic Development Council

Paul Roetman, Executive Director

"PWSEDC continues to be instrumental in opening the door to the region's economic development opportunities by assisting private and public sector cooperation that capitalizes on that opportunity. Simply put, they make things happen in Prince William Sound."

*Mark Stahl, Manager,
Lands & Resources
Department
Chugach Alaska
Corporation*

PWSEDC's primary mission is to serve as a forum for the discussion of regional economic issues and to foster economic growth and job creation through strategic planning and infrastructure development. PWSEDC has had an exceptional year in planning, securing funding and coordinating development projects throughout the region's five communities. Following are highlights of PWSEDC's proactive stance and development activities.

- **Growing Regional Presence** - From a staff of one in 1993, PWSEDC has grown to a staffing level of four, including a regional office in Valdez and a satellite office in Cordova. This growth is a direct result of increased project-related work and contracts.
- **Diversified Revenue Base** - PWSEDC has achieved an unprecedented level of funding for FY 96, with a current operational and project budget over \$1.5 million.
- **In August 1995**, the Department of Natural Resources contracted with PWSEDC for \$1.35 million to manage four marine park projects. These include creation of trails and restroom facilities at Dock Point Beach in Valdez and improvements to the Allison Point sport fishing area near Valdez, the Fleming Spit sport fishing area in Cordova and a one-and-a-half mile hiking trail to Iktua Bay from Chenega Village.
- **PWSEDC is nearing completion** of a 16-month, \$310,000 Sound Waste Management Plan. Developed by the region's communities, the plan resulted in a number of long-term, cost-effective recommendations. Two now being pursued by PWSEDC include a \$1 million Environmental Operation Station proposal to be submitted to the Exxon Valdez Oil Spill Trustee Council for funding and a \$400,000 appropriation for development of a new land fill site for the City of Cordova.
- **With the recent additions to staff**, PWSEDC has the capacity to undertake local planning efforts through contracts with the communities in the region. Planning scheduled for this year include an Economic Development Strategy (\$11,500) for the community of Cordova, an Overall Economic Development Plan (\$7,200) for the village of Tatitlek and the completion of a Boat Harbor Comparative Analysis (\$10,500) and Overall Economic Development Plan (\$13,500) for the City of Valdez.
- **Other projects to be undertaken this year include:** 1) A \$1.1 million proposal for the Valdez Duck Flats Viewing Area Project for construction of a series of boardwalks to accommodate the growing number of visitors. 2) Several grant applications in support of development projects including a \$100,000 CDBG for the City of Cordova, a \$65,000 CDBG for the City of Valdez, and two grant proposals totaling \$80,000 for the Village of Chenega Bay.

Board of Directors: Jackie Robb, President

- | | | |
|--------------------|-----------------|--------------------|
| • Scott Clark | • Scott Janke | • JoAnn McDowell |
| • Dave Cobb | • Mark Johnson | • Chris Overbeck |
| • R. C. Collin | • Gary Kompkoff | • Mark Stahl |
| • Dave Dengel | • Brian Lettich | • Chuck Totemoff |
| • Jeff Fulton | • Randy Maag | • Tom Van Brocklin |
| • Clayton Hurlless | | |



Southeast Conference

Berne Miller, Executive Director

For Southeast Conference, 1995 was a year of transition and growth. A complete staff turnover in February brought new ideas and new energy to Conference endeavors. Key were increased emphasis on regional economic development and a new focus on locally-initiated community development. By year's end, the result was a renewed commitment to improving economic, social, and environmental conditions throughout southeast Alaska and first steps toward increasing the Conference's capacity to make things happen for the region's people and communities.

As in the past, during 1995 Southeast Conference gave first attention to the lifeblood of the region's economic and social well-being, the Alaska Marine Highway System. The Conference's Transportation Committee continued its traditional work with Department of Transportation leaders on system operations and maintenance, scheduling, and expansion, and worked with several independent developers who propose undertaking projects to add capacity to the system. The Conference's newly-named Environment Committee settled into its recently-expanded role as it continued working with state agencies to help craft regulations that accomplish the intended purpose, at a cost our small rural communities can afford. And, of course, the Conference's successful region-wide Household Hazardous Waste Collection Program continued.

As an ARDOR, Southeast Conference put clear focus on creating jobs in the private sector, protecting private-sector jobs that currently exist, and working to resurrect jobs that have disappeared unnecessarily in the past. Drawing on a grant provided by several of its private-sector members, the Conference undertook active participation in the Tongass National Forest Land Management Plan revision process. The Conference's objective is to ensure that Forest Service decisions cause no avoidable adverse economic or social consequences for the people and communities of southeast Alaska and, if possible, reverse the unintended economic contraction that followed passage of the Tongass Timber Reform Act in 1990.

Early in the year, Southeast Conference was designated the Resource Conservation and Development Council for southeast Alaska. In this role, the Conference takes on the mission of accelerating utilization and conservation of the region's natural resources. The Conference will execute this new mission by finding groups of citizens who want to make things happen in their local communities, then helping them initiate and complete projects they decide are needed close to home. New resources that come with RC&D designation should be in place by mid-1996.

Finally, in the years ahead, Southeast Conference intends to find ways to deliver services the region's people and communities need but which federal and state governments can no longer provide as budget reductions and program down-sizing continue. While communities, regions, and the entire state face significant challenges in the future, Southeast Conference remains convinced that working public/private partnerships represent one of the most effective approaches to solving regional problems and meeting regional needs.

Board of Directors: J. Allan MacKinnon, President

- Forrest DeWitt
- Rosemary Hagevig
- Marieke Nordlinger
- Bobbie Permenter
- Dick Smith
- Linda Snow
- David Stone
- Ginny Tierney
- John Tronrud
- Bob Ward

"The advice and facilitation Southeast Conference provided during our recent renewal effort was a significant factor in our citizens bringing that endeavor to a successful conclusion."

*Sioux Plummer, Mayor,
City of Skagway*



Southwest Alaska Municipal Conference

Mary Stadum, Executive Director

"Our work is never done at SWAMC, as we map out directions for how to achieve economic development goals. Some may never be reached, but that's ok for what we accomplish along the way helps in ways that cannot be measured."

Carvel Zimin, Jr.,
SWAMC Director

The Southwest Alaska Municipal Conference (SWAMC), with over one hundred and twenty-five public and private sector members, advances the region's collective interests and helps promote economic development opportunities to improve the quality of life and influence long-term, responsible development. Recent accomplishments include:

- **PLANNING** - SWAMC publishes an annual update to the Overall Economic Development Plan for southwest Alaska, including an overview of the area and its economy, identification of economic issues, and highlighting significant accomplishments in the region. SWAMC provides planning assistance to members and support for local development initiatives.
- **INFORMATION EXCHANGE** - SWAMC publishes a bimonthly newsletter featuring articles on events and issues affecting southwest Alaska. Highlights include community and member activities, SWAMC resolutions, local and national economic development information, grant sources, seafood marketing information, training opportunities, and an events calendar.
- **CONFERENCES** - Two annual conferences are held each year, each attracting over 100 participants. They focus on economic development and municipal issues including fisheries, tourism, transportation, environmental clean up, and small business development. Conferences offer members an opportunity to network with each other, with elected officials, and policy makers.
- **RESOLUTIONS** - SWAMC members develop resolutions that are distributed to policy makers expressing the collective views of Southwest residents on state and federal issues important to the region. Seventeen resolutions on fisheries, tourism, transportation, energy, education, and economic development were passed and distributed by SWAMC membership in 1995.
- **MARKETING** - SWAMC attends trade and travel shows, develops publications and surveys, and places advertising to market the region and its resources. Last year, SWAMC responded to over 3,000 visitor inquiries and referred follow-up inquiries to SWAMC tourism industry members.
- **SMALL BUSINESS TRAINING AND DEVELOPMENT** - SWAMC provided assistance and training to over one hundred individuals and businesses during the past year, including training in marketing, packaging tours, sales tracking, desktop publishing, and customer services.
- **FISHERIES MANAGEMENT** - SWAMC has lobbied successfully at the state and federal level for legislation and policies beneficial to commercial fishing and resource preservation, including support for CDQs and inshore/offshore allocations, reauthorization of the Magnuson Act, and increases in the Department of Fish and Game budget for southwest Alaska.
- **TRANSPORTATION** - SWAMC successfully lobbied Alaska's national and state legislators for an ocean-going ferry vessel, increased Alaska Marine Highway service to the Aleutian Chain, and is working for expanded marine and air transportation to and within southwest Alaska.

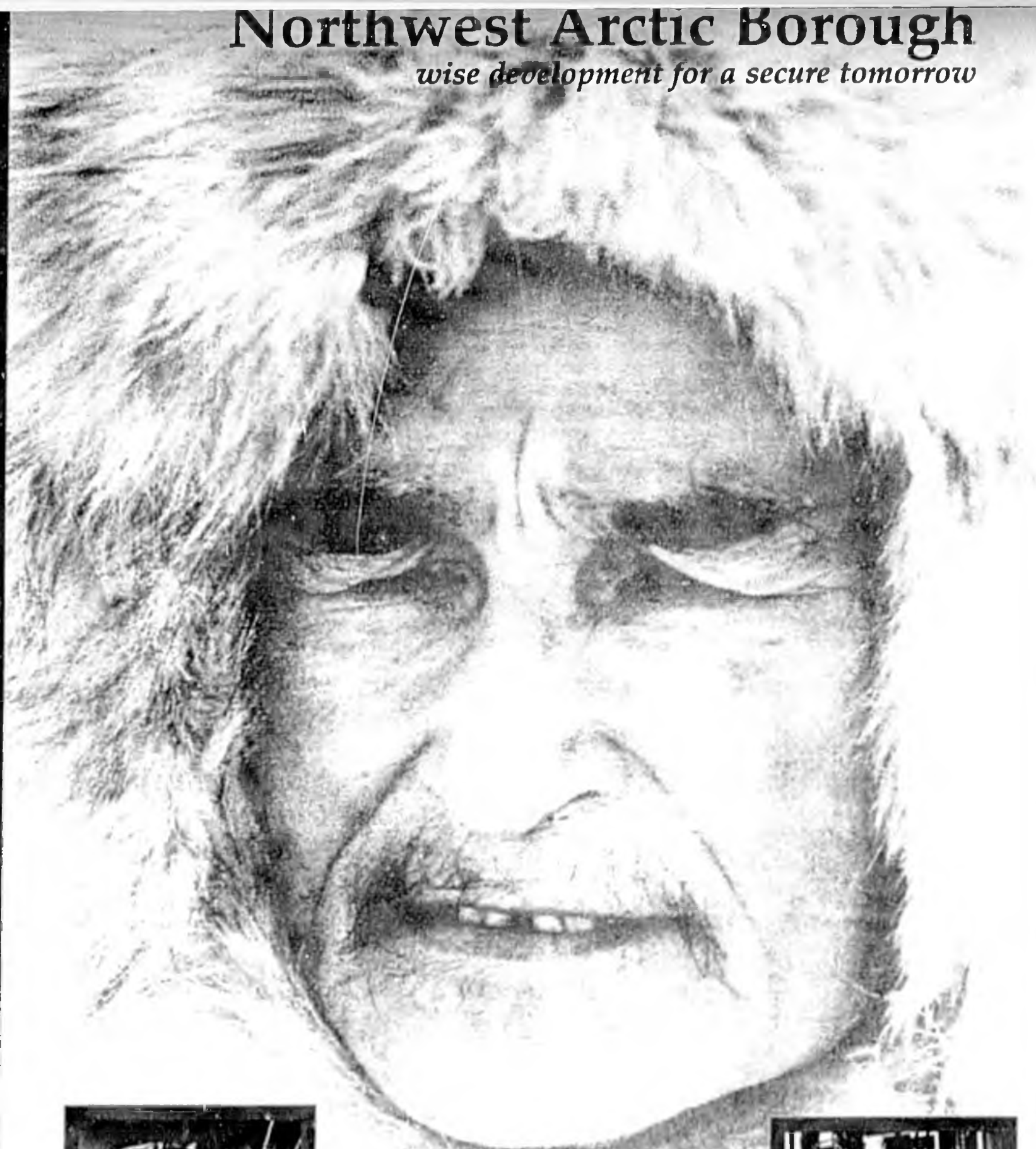
Board of Directors: Alice Ruby, President

- Glen Alsworth
- Jim Brenner
- Steve Hakala
- Frank Kelty
- Stephanie Madsen
- Jack McFarland
- Kara Sandvik
- Jerome Selby
- Jim Stevens
- Wayne Stevens
- Carvel Zimin

THE FOLLOWING DOCUMENT HAS NOT
BEEN FILMED BUT IS AVAILABLE IN THE
ORIGINAL FILE.

Northwest Arctic Borough

wise development for a secure tomorrow



SOUTHWEST ALASKA

**MUNICIPAL
CONFERENCE**



**3300 Arctic Boulevard, Suite 203
Anchorage, Alaska 99503
Phone (907) 562-7380
Fax (907) 562-0438**

RESOLUTION 96-20

A RESOLUTION URGING FULL SUPPORT FOR THE ALASKA REGIONAL DEVELOPMENT ORGANIZATION (ARDOR) PROGRAM

- WHEREAS,** it is well-recognized by both the public and private sectors that among Alaska's greatest challenges is the expansion and diversification of its undeveloped economy; and
- WHEREAS,** among the most successful strategies for sustainable economic development are those that support the greatest participation at the local and regional levels; and
- WHEREAS,** the Alaska Regional Development Organizations (ARDORs) were established by state statute for the express purpose of fostering local economic development capacity and implementing locally-conceived economic development strategies; and
- WHEREAS,** since the inception of the ARDOR program significant achievements have been realized by the ARDORs which lay the foundation for greater local leadership and responsibility for economic development; and
- WHEREAS,** as an ARDOR, the Southwest Alaska Municipal Conference (SWAMC) provides the structure for a membership organization that speaks with a collective voice on issues important to Southwest Alaska communities; and
- WHEREAS,** SWAMC helps promote economic opportunities to improve the quality of life and influences long-term, responsible development;
- WHEREAS,** SWAMC has assisted Southwest Alaska communities in (1) stabilizing their economies through supporting fisheries policies, such as the CDQ program, (2) fostering economic development through tourism and small business development and training, (3) supporting and helping to expand the Alaska Marine Highway Service and intra-regional transportation in Southwest Alaska, and (4) helping communities address solid waste management and other environmental issues; and
- WHEREAS,** the ARDOR program will sunset July 1, 1997 unless reauthorized by the Legislature.

NOW, THEREFORE, BE IT RESOLVED by the Southwest Alaska Municipal Conference that the Knowles Administration and the Alaska State Legislature are urged to fully support legislation authorizing the continuation of, and funding for, the ARDOR program for an additional five years

SOUTHWEST ALASKA
MUNICIPAL
CONFERENCE



3300 Arctic Boulevard, Suite 203
Anchorage, Alaska 99503
Phone (907) 562-7380
Fax (907) 562-0438

RESOLUTION 97-06

**A RESOLUTION URGING FULL SUPPORT FOR HOUSE BILL 35,
EXTENDING THE TERMINATION DATE OF THE
ALASKA REGIONAL ECONOMIC ASSISTANCE PROGRAM**

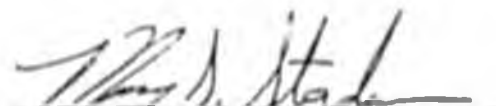
- WHEREAS,** among the most successful strategies for sustainable economic development are those that support the greatest participation at the local and regional levels; and
- WHEREAS,** the Alaska Regional Development Organizations (ARDORs) were established by state statute for the express purpose of fostering local economic development capacity and implementing locally-conceived economic development strategies; and
- WHEREAS,** since the inception of the ARDOR program, significant achievements have been realized by the ARDORs which lay the foundation for greater local leadership and responsibility for economic development; and
- WHEREAS,** as an ARDOR, the Southwest Alaska Municipal Conference has assisted Southwest communities in (1) stabilizing their economies through supporting fisheries policies, such as the CDQ program, (2) fostering economic development through tourism and small business development and training, (3) supporting and helping to expand the Alaska Marine Highway Service and intra-regional transportation in Southwest Alaska, and (4) helping communities address solid waste management and other environmental issues; and
- WHEREAS,** House Bill 35 will extend the termination date of the ARDOR program from July 1, 1997 until July 1, 2000.

NOW, THEREFORE BE IT RESOLVED by the Southwest Alaska Municipal Conference that the Alaska State Legislature is urged to support and pass House Bill 35, extending the termination date of the ARDOR program to July 1, 2000.

PASSED AND APPROVED BY THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE THIS
13th DAY OF FEBRUARY, 1997.



Alice J. Ruby, President



Mary S. Stadum, Executive Director

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev 6/91

Central Microfilm Services
Department of Education
State of Alaska

SOUTHWEST ALASKA

**MUNICIPAL
CONFERENCE**



**3300 Arctic Boulevard, Suite 203
Anchorage, Alaska 99503
Phone (907) 562-7380
Fax (907) 562-0438**

RESOLUTION 96-20

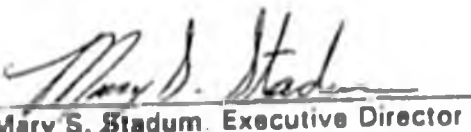
A RESOLUTION URGING FULL SUPPORT FOR THE ALASKA REGIONAL DEVELOPMENT ORGANIZATION (ARDOR) PROGRAM

- WHEREAS,** it is well-recognized by both the public and private sectors that among Alaska's greatest challenges is the expansion and diversification of its undeveloped economy; and
- WHEREAS,** among the most successful strategies for sustainable economic development are those that support the greatest participation at the local and regional levels; and
- WHEREAS,** the Alaska Regional Development Organizations (ARDORs) were established by state statute for the express purpose of fostering local economic development capacity and implementing locally-conceived economic development strategies; and
- WHEREAS,** since the inception of the ARDOR program significant achievements have been realized by the ARDORs which lay the foundation for greater local leadership and responsibility for economic development; and
- WHEREAS,** as an ARDOR, the Southwest Alaska Municipal Conference (SWAMC) provides the structure for a membership organization that speaks with a collective voice on issues important to Southwest Alaska communities; and
- WHEREAS,** SWAMC helps promote economic opportunities to improve the quality of life and influences long-term, responsible development;
- WHEREAS,** SWAMC has assisted Southwest Alaska communities in (1) stabilizing their economies through supporting fisheries policies, such as the CDQ program, (2) fostering economic development through tourism and small business development and training, (3) supporting and helping to expand the Alaska Marine Highway Service and intra-regional transportation in Southwest Alaska, and (4) helping communities address solid waste management and other environmental issues; and
- WHEREAS,** the ARDOR program will sunset July 1, 1997 unless reauthorized by the Legislature.

NOW, THEREFORE, BE IT RESOLVED by the Southwest Alaska Municipal Conference that the Knowles Administration and the Alaska State Legislature are urged to fully support legislation authorizing the continuation of, and funding for, the ARDOR program for an additional five years

PASSED AND APPROVED BY THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE THIS
14th DAY OF SEPTEMBER, 1996.


Alice J. Ruby, President


Mary S. Stadum, Executive Director

SOUTHWEST ALASKA
MUNICIPAL
CONFERENCE



3300 Arctic Boulevard, Suite 203
Anchorage, Alaska 99503
Phone (907) 562-7380
Fax (907) 562-6438

RESOLUTION 97-06

**A RESOLUTION URGING FULL SUPPORT FOR HOUSE BILL 35,
EXTENDING THE TERMINATION DATE OF THE
ALASKA REGIONAL ECONOMIC ASSISTANCE PROGRAM**

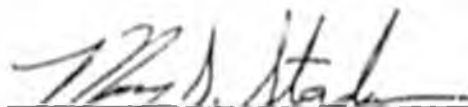
- WHEREAS,** among the most successful strategies for sustainable economic development are those that support the greatest participation at the local and regional levels; and
- WHEREAS,** the Alaska Regional Development Organizations (ARDORs) were established by state statute for the express purpose of fostering local economic development capacity and implementing locally-conceived economic development strategies; and
- WHEREAS,** since the inception of the ARDOR program, significant achievements have been realized by the ARDORs which lay the foundation for greater local leadership and responsibility for economic development; and
- WHEREAS,** as an ARDOR, the Southwest Alaska Municipal Conference has assisted Southwest communities in (1) stabilizing their economies through supporting fisheries policies, such as the CDQ program, (2) fostering economic development through tourism and small business development and training, (3) supporting and helping to expand the Alaska Marine Highway Service and intra-regional transportation in Southwest Alaska, and (4) helping communities address solid waste management and other environmental issues; and
- WHEREAS,** House Bill 35 will extend the termination date of the ARDOR program from July 1, 1997 until July 1, 2000.

NOW, THEREFORE BE IT RESOLVED by the Southwest Alaska Municipal Conference that the Alaska State Legislature is urged to support and pass House Bill 35, extending the termination date of the ARDOR program to July 1, 2000.

PASSED AND APPROVED BY THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE THIS
1st DAY OF FEBRUARY, 1997.



Alice J. Ruby, President



Mary S. Stadum, Executive Director

SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

February 3, 1997

Representative Albert Kookesh
State Capital
Juneau, AK 99801

Dear Representative Kookesh,

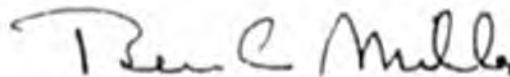
House Bill 35, an Act Extending the Alaska Regional Economic Assistance Program, is scheduled to be heard before the House Community and Regional Affairs Committee this Wednesday. When enacted, the Bill will extend the life of the Alaska Regional Development Program to the end of this century.

Attached you will find a copy of Southeast Conference Resolution 97-6 urging reauthorization of the ARDOR Program. This Resolution was adopted unanimously by Conference members during their Annual Meeting in Juneau last September. For more information about Southeast Conference and its activities as the ARDOR for Southeast Alaska, please see the Conference's *Regional Development Strategy and Area Plan and Annual Report for Membership Year 1996* sent you with our last letter.

I regret I will be unable to attend the Committee's hearing. I must be in Ketchikan to join with federal, state, and local representatives who are meeting to consider the kind of partnership to put together to aid southern Southeast Alaska's recovery from the recent and impending downturn in the timber industry. Should you have an urgent need for more information, I can be reached through the Cape Fox Hotel.

Thanks you for your interest.

Sincerely,



Berne C. Miller
Executive Director

Attachment

SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

A RESOLUTION URGING REAUTHORIZATION OF THE ALASKA REGIONAL DEVELOPMENT ORGANIZATION (ARDOR) PROGRAM

(Resolution 97-6)

- WHEREAS** one of the most serious challenges facing Alaskans today is expansion, diversification, and stabilization of the State's economy, and
- WHEREAS** among the most successful approaches to economic expansion, diversification, and stabilization is one that encourages and facilitates a high level of participation at local and community levels, and
- WHEREAS** the Alaska Regional Development Organization (ARDOR) Program was established to create and sustain regional development capacity by fostering effective public-private partnerships to implement locally conceived and executed economic and community development projects, and
- WHEREAS** the ARDOR Program will "sunset" in 1997 unless reauthorized by the Legislature, and
- WHEREAS** ARDORs statewide have laid a solid foundation for greater responsibility and leadership in economic and community development at the regional level, and
- WHEREAS** Southeast Conference has assisted the people and communities of Southeast Alaska by 1) supporting and helping improve and expand marine and land transportation infrastructure, 2) helping communities address solid waste management, household hazardous waste disposal and other environmental needs, and 3) helping communities plan and execute development efforts responsive to local needs and priorities

NOW THEREFORE BE IT RESOLVED THAT

Southeast Conference urges the Administration and Legislature to fully support the ARDOR Program through appropriate administrative policies and appropriation of funds adequate to sustain the ARDORs' mission of building local capacity and developing sustainable economies

Southeast Conference urges the Administration and Legislature to reauthorize the ARDOR Program during the next legislative session

This Resolution be sent to the Governor, the Legislature, the Department of Community and Regional Affairs, the Department Commerce and Economic Development, and the Alaska Industrial Development and Export Authority

ADOPTED BY SOUTHEAST CONFERENCE ON SEPTEMBER 26, 1996.

Witness


John Tromrud - President Southeast Conference

Attest


Bernice C. Miller - Executive Director

STATE OF ALASKA

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

DIVISION OF TRADE AND DEVELOPMENT

TONY KNOWLES, GOVERNOR

✓ P.O. BOX 110804
JUNEAU, AK 99811-0804
PHONE: (907) 465-2017
FAX: (907) 465-3767
TTY: (907) 465-2137

LI 3601 C STREET, SUITE 798
ANCHORAGE, AK 99503
PHONE: (907) 561-5585
FAX: (907) 562-0048

LI 751 OLD RICHARDSON HWY., #205
FAIRBANKS, AK 99701
PHONE: (907) 452-7464
FAX: (907) 456-8173

September 26, 1996

Honorable Alan Austerman
Alaska House of Representatives
112 Mill Bay Road
Kodiak, AK 99615

Attention: Cliff Stone

Dear Mr. Stone:

In response to your inquiry, the ARDOR program does fall under the provisions of a sunset rule that, absent legislative action, will go into effect July 1, 1997. You may also recall that the program was transferred, by executive order, from this department to the Department of Community and Regional Affairs effective July 1, 1996. The statutory authority for the program, previously AS 44.33.026, is now found in AS 44.47.900 and the program is under the administrative oversight of DCRA's Division of Municipal & Regional Assistance.

The ARDORs are private, nonprofit corporations formed by local initiative for the purpose of promoting private sector economic development within their designated regions. Should the sunset provision go into effect, the organizations would not necessarily cease to exist. Several are strong enough, financially and organizationally, that they would continue to operate and carry out their missions independent of state involvement. Others, particularly those serving rural Alaska, would be weakened enough by the withdrawal of state support that they would likely not be able to continue operating. All of them would certainly suffer from the loss of state financial support because the ARDOR grants, while not particularly large, are not tied to specific projects and so may be used for operating expenses and to leverage dollars from other sources. These are the hardest kind of dollars to find and are, therefore, extremely valuable to the organizations.

Another important benefit afforded ARDORs by statute is the ability of state agencies to enter into contracts with them exempt from a competitive procurement process. (See AS 36.30.850 (b) (30) enacted in Chapter 68, S.L.A 93.) This has proven beneficial to both ARDORs, who are able to provide greater local expertise in service delivery or project implementation, and to state agencies, who through the ARDORs, are able to deliver services or projects more efficiently and with less administrative burden. Should the sunset provision go into effect, this ability would be lost unless there is separate legislative action to reenact it.

Perhaps, most important, would be the loss of this important linkage between state government and the regions which facilitates communication, promotes cooperation between communities and other local and regional interests, and encourages local initiative and responsibility for economic development. Particularly as the state embarks on welfare reform, the ARDORs are well placed to take on specific initiatives like designing and implementing regional welfare reform strategies that focus on providing jobs and targeted training for people moving off welfare.

I think most of us have learned by experience that achieving economic development objectives does not take place in a short time frame. Rather, it takes a long-term commitment and the direct involvement of the various stakeholders. It requires the ability to accept that not every effort will succeed; to learn from missteps and move on. And, particularly in Alaska, sound economic development relies heavily on solid partnerships between the public and private sectors. The ARDORs were conceived to facilitate this kind of partnering and to bring a regional perspective to the discussion of economic development issues.

In my opinion, it would be counterproductive to walk away from the state's investment in the ARDORs just as they are realizing the capacity to do the job that was envisioned for them.

Cordially,



Terry Miller
Project Manager

cc: Tom Lawson, Section Chief
Ike Waits, DCRA, M&RAD

ALASKA REGIONAL DEVELOPMENT ORGANIZATIONS

ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION

Designation Date: April 11, 1989
Max Lowe, Chairman
Patricia DeMarco, President
550 West 7th Avenue, Suite 1400
Anchorage, AK 99501
Phone: 258-3700 Fax: 258-6646
AEDC @ alaska.net

ARCTIC DEVELOPMENT COUNCIL

Designation Date: March 1, 1991
David Baker, President
Don Schindler, Executive Director
P.O. Box 1353
Barrow, AK 99723
Phone: 852-4146 Fax: 852-2683

COPPER VALLEY ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1990
Carol Neeley, President
Donna Tollman, Executive Director
P.O. Box 9
Glennallen, AK 99588
Phone: 822-5001 Fax: 822-5009

KENAI PENINSULA BOROUGH ECONOMIC DEVELOPMENT DISTRICT

Designation Date: February 22, 1989
James Elson, Chairman
Stan Steadman, Executive Director
P.O. Box 3029
Kenai, AK 99611
Phone: 283-3335 Fax: 283-3913

LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL

Designation Date: September 17, 1991
Andrew Guy, Chairman
Carl Berger, Executive Director
P.O. Box 2021
Bethel, AK 99559
Phone: 543-5967 Fax: 543-2255

LOWER YUKON ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1991
Larry Lujan, President
Susan Anderson, Executive Director
P.O. Box 2021
Anchorage, AK 99501
Phone: 271-2424 Fax: 271-3951

MAT-SU RESOURCE CONSERVATION AND DEVELOPMENT, INC.

Designation Date: November 1, 1993
Ted Smith, President
Douglas Smith, Executive Director
351 West Parks Highway, Suite 100
Wasilla, AK 99651
Phone: 373-1062 Fax: 373-1064

NORTHWEST ARCTIC BOROUGH ECONOMIC DEVELOPMENT COMMISSION

Designation Date: June 28, 1989
Charlie Curtis, Chairman
Jeff Hadley, Executive Director
P.O. Box 1110
Kotzebue, AK 99752
Phone: 442-2500 Fax: 442-2027

PRINCE WILLIAM SOUND ECONOMIC DEVELOPMENT COUNCIL

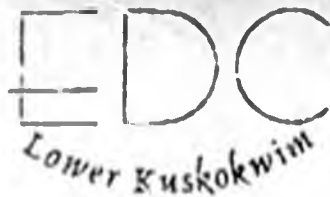
Designation Date: November 1, 1991
Jackie Robb, President
~~Paul Postman~~, Executive Director
P.O. Box 2353
Valdez, AK 99686
Phone: 835-3775 Fax: 835-5770
James Winchester

SOUTHEAST CONFERENCE

Designation Date: April 14, 1989
J. Allan MacKinnon, President
Berne Miller, Executive Director
124 West Fifth Street
Juneau, AK 99801
Phone: 463-3445 Fax: 463-4425

SOUTHWEST ALASKA MUNICIPAL CONFERENCE

Designation Date: April 6, 1989
Alice Ruby, President
Mary Stadum, Executive Director
3300 Arctic Boulevard, Suite 203
Anchorage, AK 99503
Phone: 562-7390 Fax: 562-0138



FEBRUARY 4, 1997

REP. IVAN M. IVAN
ALASKA STATE LEGISLATURE
UNEAU, ALASKA FAX: 465-4589

DEAR REP. IVAN:

HB 35: ARDOR REAUTHORIZATION
HEARING, WEDS. FEB 5, 1997

I UNDERSTAND THAT THE HOUSE COMMITTEE ON COMMUNITY & REGIONAL AFFAIRS, WHICH YOU CHAIR, WILL BE HOLDING HEARINGS TOMORROW ON HB 35, WHICH SEEKS TO REAUTHORIZE OUR PROGRAM FOR AN ADDITIONAL THREE YEARS.

I WILL BE IN EEK, MAKING A PRESENTATION ON SMALL BUSINESS AT THE HIGH SCHOOL AND WORKING WITH THE TRIBAL ADMINISTRATOR TO FINALIZE A PROPOSAL FOR FUNDING THAT IS DUE NEXT WEEK, SO WILL PROBABLY BE UNABLE TO PARTICIPATE IN YOUR HEARING FROM THERE.

AS THE VICE CHAIRMAN OF THE LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL, I'M SURE YOU ARE AWARE OF THE CONTINUING NEED FOR ECONOMIC ASSISTANCE THROUGHOUT OUR REGION. WITHOUT THE ARDORS, THERE WOULD BE LITTLE TO NO LOCAL ASSISTANCE AVAILABLE FOR PEOPLE NEEDING ASSISTANCE TO START A BUSINESS OR EXPAND AN EXISTING ONE. SECURE NEEDED FINANCING, LEARN OF APPLICABLE REGULATIONS, AND THE MANY OTHER SERVICES NOW PROVIDED BY ARDORS.

YOUR SUPPORT IS REQUESTED, TO EXTEND THE OPERATIONS OF ARDORS FOR THE NEXT THREE YEARS, THROUGH FY 2000.

VERY TRULY,

A handwritten signature in cursive script that reads "Carl Berger".

CARL BERGER, EXECUTIVE DIRECTOR
LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL

Lower Kuskokwim Economic Development Council
PO Box 2021
Bethel, AK 99579
Phone: (907) 481-5087
FAX: (907) 481-2255

ALASKA STATE CHAMBER OF COMMERCE RESOLUTION

SUPPORTING THE CONTINUATION OF THE ALASKA REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION PROGRAM

WHEREAS, the Alaska state legislature created the Alaska Regional Economic Development Organization (ARDOR) program in 1988; and

WHEREAS, the legislature created a program that encouraged the formation of regional development organizations such as the Southeast Conference, the Southwest Alaska Municipal Conference, and others around the State of Alaska to address the economic problems of those regions; and

WHEREAS, the ARDOR'S are private nonprofit corporations formed by local initiative for the purpose of promoting private sector economic development within their designated regions; and

WHEREAS, the ARDOR'S represent an economically viable unit with shared interests, resources traditions and goals; and

WHEREAS, those ARDOR'S have successfully coordinated private and public resources to support economic development in their regions; and

WHEREAS, they have provided the State with information on regional economic issues, tourism and opportunities for international trade; and

WHEREAS, they have provided assistance in local economic diversification and development efforts during a time of turmoil and troubles in those local regions; and

WHEREAS, the ARDOR'S serve as a liaison between local governments and businesses in the region and the State of Alaska on issues of a common nature; and

WHEREAS, those organizations have been successful in their economic development mission; and

WHEREAS, the original legislation had a sunset clause that ended the program in 1993; and

WHEREAS, that repeal was extended until the end of fiscal year 1997; and

NOW THEREFORE BE IT RESOLVED BY THE Alaska State Chamber of Commerce that it is in the best interest of the State of Alaska to continue the ARDOR program and to insure the ongoing economic viability of Alaska's various regions; and

FURTHER BE IT RESOLVED BY the Board of Directors of the Alaska State Chamber of Commerce we support this issue as being of statewide importance in the process of adopting our legislative priorities for the 1997 legislative session.

Passed and approved by the Board of Directors of the Alaska State Chamber of Commerce this 6th day of December, 1996.

HB

38



Representative Tom Brice

ALASKA STATE LEGISLATURE

119 N. Cushman, Ste. 206
Fairbanks, AK 99701
907-456-7423 / Fax: 451-9293
While in Juneau
State Capitol
Juneau, AK 99801-1182
907-465-3466

HOUSE BILL 38

Relating to land conveyances to boroughs and unified municipalities

SECTIONAL SUMMARY

As a preliminary statement, please note that a sectional summary is not an authoritative interpretation of a bill. The bill itself is the best statement of its contents.

Section 1 HB 38 has only one section, which amends AS 29.60 to provide that a borough or unified municipality (hereafter "the borough") may select an additional 50,000 acres of land conveyed to the State under the Alaska Statehood Act. It can be divided into five subsections that (A) list the terms and conditions of selectable land, and lists the rights of the State (B) when approving land selections, (C) during the interim process, (D) upon conveyance, and (E) to reclaim the land.

Subsection A places the following contingencies on selectable land. Selectable land must be:

- 1) selected by the year 2012 A.D.;
- 2) in parcels of at least 40 acres, unless the Commissioner finds it necessary to convey smaller parcels;
- 3) subject to costs of surveying, platting, and selection payable by the borough; and
- 4) located within the boundaries of the borough; and must not be:
- 5) already conveyed by the state;
- 6) reserved by law from the public domain;
- 7) currently selected under AS 29.65, the General Land Grant Program;
- 8) included in a five-year oil and gas lease program under AS 38.05.180, be otherwise leased, or have such lease pending;
- 9) subject to any other outside interest involving state leases or contracts;
- 10) necessary to carry out the purpose of an interagency land management agreement; and
- 11) subject to conveyance under a land exchange or land settlement agreement;

Subsection B establishes the rights of the State to reject selections if the land may be:

- 1) selected by a newly incorporated city, unless three years have passed since the city's incorporation;
- 2) made part of an oil and gas exploration license, unless three years have passed since licensing; and
- 3) held for purposes in the best interest of the state.

Subsection C establishes that, prior to conveyance:

- 1) the state may enter into contract and conveyance may be subject to said contracts, provided the borough agrees;
- 2) 90% of contract proceeds shall be awarded to the borough upon conveyance of the land; and
- 3) the borough is responsible for managing said contract(s) thereafter.

Subsection D establishes that the State shall:

- 1) give public notice of the conveyance;
- 2) provide access in instances of navigable or public water;
- 3) hold all rights and benefits from oil, gas, and minerals contracts; and
- 4) hold all rights applicable under the AK Omnibus Act, the AK Statehood Act, and under former 43 U.S.C. 932.

Subsection E delineates the right of the State to re-enter and reclaim title to conveyed land if:

- 1) after ten years the borough is not using land for income, unless litigation prevents or delays such income; and
- 2) before the year 2012 the land holder attempts to convey the land to the U.S., in which case the borough can no longer make land selections under this program.

Section 1 is concluded by making this program exclusive of any entitlements under the Alaska General Grant Land Program (AS 29.65) for which a borough or unified municipality may be eligible.



Representative Tom Brice
ALASKA STATE LEGISLATURE

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Fairbanks, AK 99701
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State Capitol
Juneau, AK 99801-1182
907-465-3466

Sponsor Statement

House Bill 38

Borough and Municipal Land Conveyances

HB 38 would supplement AS 29.65, the General Grant Land program. Our state faces declining revenues and is forced to restrict its financial support of local government. Providing boroughs and unified municipalities with more land is one way we can promote their long-term prosperity. This approach would most likely not provide benefit in the near future. But, in the long run it will help put more lands into private hands and expand the property tax base for municipalities.

HB 38 would give boroughs and unified municipalities up to an additional 50,000 acres with which to secure a revenue base and greater independence from future state funding.





Representative Tom Brice
ALASKA STATE LEGISLATURE

119 N. Cushman, Ste. 205
Fairbanks, AK 99701
907-456-7423 / Fax: 451-9293

While in Juneau
State Capitol
Juneau, AK 99801-1182
907-465-3466

MEMORANDUM

TO: Representative Ivan, Chair
House Community and Regional Affairs Committee

FROM: Representative Brice *TB*

DATE: April 18, 1997

RE: Request for hearing HB 38

I am requesting a hearing be held for HB 38, relating to land conveyances to boroughs and unified municipalities. It would give boroughs and unified municipalities up to an additional 50,000 acres with which to secure a revenue base and greater independence from future state funding. Thank you.



FISCAL NOTE

Revision Date: _____ Dept. Affected: Community & Regional Affairs
 Title: An Act relating to Statehood Act land BRU: none
selection conveyances to boroughs ... Component: none
 Sponsor: Rep. Brice
 Requestor: House CRA Committee COMPONENT SERIAL NO. _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE FUND SOURCE:						
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FUNDING (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current (FY97) impact \$ none

ANALYSIS: (Attach a separate page if necessary)

This legislation would have no fiscal impact on the department.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Division of Administrative Services Date: 4/22/97
 Approved by Commissioner: *Mike Arnesen* Date: 4/22/97
 Agency: Community & Regional Affairs

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. HB 38

Revision Date: _____ Dept Affected: Natural Resources
 Title: An Act relating to Statehood Act land selection BRU: Resource Development
conveyance to boroughs and unified municipalities Component: Land Development
 Sponsor: Rep Brice
 Requestor: (H)CRA Component Serial No. 491

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES	469.4	423.9	423.9	423.9	423.9	423.9
TRAVEL	25.0	25.0	25.0	25.0	25.0	25.0
CONTRACTUAL	25.0	25.0	25.0	25.0	25.0	25.0
SUPPLIES	30.0	30.0	30.0	30.0	30.0	30.0
EQUIPMENT	50.0	20.0	20.0	20.0	20.0	20.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	599.4	523.9	523.9	523.9	523.9	523.9
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	75.9					
1005 GF/Program Receipts	523.9	523.9	523.9	523.9	523.9	523.9
1037 GF/Mental Health						
Other						
TOTAL	599.4	523.9	523.9	523.9	523.9	523.9

Estimate of any current year (FY97) cost: \$ none

POSITIONS

FULL-TIME	8	7	7	7	7	7
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS:

(Attach a separate page if necessary)

Bill would give boroughs and home rule municipalities an additional land grant of 50,000 acres. Sixteen municipalities qualify; total commitment is 800,000 acres. Munis have 15 years to select. Assume conveyance over 30 years, approximately 26,500 acres/year. Existing municipal entitlement staff of 3 1/2 fulltime positions conveys about 15,000 acres/year. Approximately 5 fulltime positions could do 800,000 acres in 30 years, plus survey, title document staff. First year also requires setup of entirely new tracking, records, financial system, as this program is significantly different from existing entitlement program in AS 29.65. All costs, except start-up, assumed as program receipts due to requirement that municipalities pay all costs in HB 38.

Prepared by: Jane Angvik Phone: 269-8532
 Division: Land Date: 22-Apr-97
 Approved by Commissioner: [Signature] Date: 4-22-97
 Agency: Natural Resources

THE FOLLOWING PAGES MAY
NOT FILM LEGIBLY BECAUSE OF
THE POOR QUALITY OF THE ORIGINAL

BOROUGH AND UNIFIED MUNICIPALITIES LAND ENTITLEMENTS - AS 29.65

Municipality	Original Entitlement	Acres Remaining 12/31/2015
Aleutians East Borough	7,633	5,790
Municipality of Anchorage	44,893	273
Bristol Bay Borough	2,898	349
Denali Borough	49,789	49,784
Fairbanks North Star Borough	112,000	177
Ilisaus Borough	2,500	40
City and Borough of Juneau	19,564	248
Kenai Peninsula Borough	155,750	45,000 [ⓐ]
Ketchikan Gateway Borough	11,593	0
Kodiak Island Borough	55,500	0
Leise and Pechanga Borough	125,000	125,000
Matanuska-Susitna Borough	355,210	0 [ⓐ]
North Slope Borough	44,820	54,745
Northwest Arctic Borough	265,435	265,438
City and Borough of Sitka	10,500	0
City and Borough of Yakutat	241	138
Total	1,329,709	601,987

[ⓐ]-approximate

The above figures do not include lands conveyed under AS 35.05.925 (tidelands) or former AS 35.05.320 (tidelands), and only include land conveyed under AS 35.05.810 (public uses) if it could be charged against an AS 29.65 entitlement.

prepared by Department of Natural Resources, Division of Land, 2/25/97

B. LAND SELECTION

1. **Easements:** The League supports a state policy of preserving needed and specific rights-of-way and easements that provide for present and future public access to public waterways and resources. Concurrence of affected municipalities is essential. The League supports the program to survey these easements in an expeditious manner. However, actual surveys should not delay conveyance. (am 11/96)

2. **Conveyance and Land Use:**

a. As a means to enhance local economic development opportunities through the use of municipal lands, the League supports a specific appropriation to the Department of Natural Resources to expedite the process of conveying to municipalities the lands to which they are entitled. (am 11/94)

b. The League urges the State to convey land to municipalities with a minimum of reservations, easements, and restrictions. Where reservations, restrictions, and easements are desired, they should be established by joint agreement with state and local government. (am 11/95)

The state currently issues patents for land with many reservations, e.g., for habitat, which limit the ability of municipalities to make the best use of the land.

c. The League urges the immediate conveyance to municipalities or successor entity of federal and state lands presently identified and jointly agreed upon for selection. (am 11/96)

d. The League urges a cooperative intergovernmental effort to expedite conveyance of lands not yet jointly agreed upon by considering municipal, state, and federal issues in lands affected by the land selection process. Prior to conveyance to municipalities, the state will disclose all hazardous materials and conditions. The state is required to clean up all hazardous material and conditions to EPA and ADEC standards or standards acceptable to the community consistent with the intended use of the property. (am 11/95)

e. The League urges the state to move expeditiously to complete in-lieu, cash entitlements, to convey lands to municipalities with the least amount of encumbrance and restriction, and to take whatever actions are necessary to correct existing inequities and overcome all remaining obstacles to fulfilling land entitlements. (am 11/96)

A Resolution of the Alaska Municipal League

Resolution 97-11

**A RESOLUTION SUPPORTING LEGISLATION TO PROVIDE FOR THE
CONVEYANCE OF ISOLATED TRACTS OF STATE LAND TO BOROUGHES
AND UNIFIED MUNICIPALITIES**

WHEREAS, the State of Alaska currently manages isolated tracts of land within the jurisdiction of Boroughs and Unified Municipalities which are vacant, unappropriated and unreserved; and

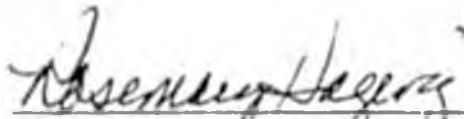
WHEREAS, many of these isolated tracts of state land are adjacent to, or in proximity to, land already owned and managed by Boroughs and Unified Municipalities; and

WHEREAS, the conveyance of certain isolated tracts of state land to Boroughs and Unified Municipalities will consolidate land ownership patterns, result in more cost effective and efficient land management, or achieve state and local government land use planning objectives; and

WHEREAS, the conveyance of additional land to municipalities will serve local interests, expand the local tax base and enhance local control during the land use decision-making process.

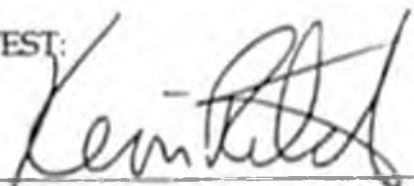
NOW, THEREFORE, BE IT RESOLVED by the Alaska Municipal League that the Alaska State Legislature is urged to pass legislation to amend AS 29.65 to provide an opportunity for the conveyance of isolated tracts of vacant, unappropriated and unreserved state land to Boroughs and Unified Municipalities upon a finding that such conveyance will be in the best interest of the state.

PASSED and APPROVED November 22, 1996.



Rosemary Hagevig, President

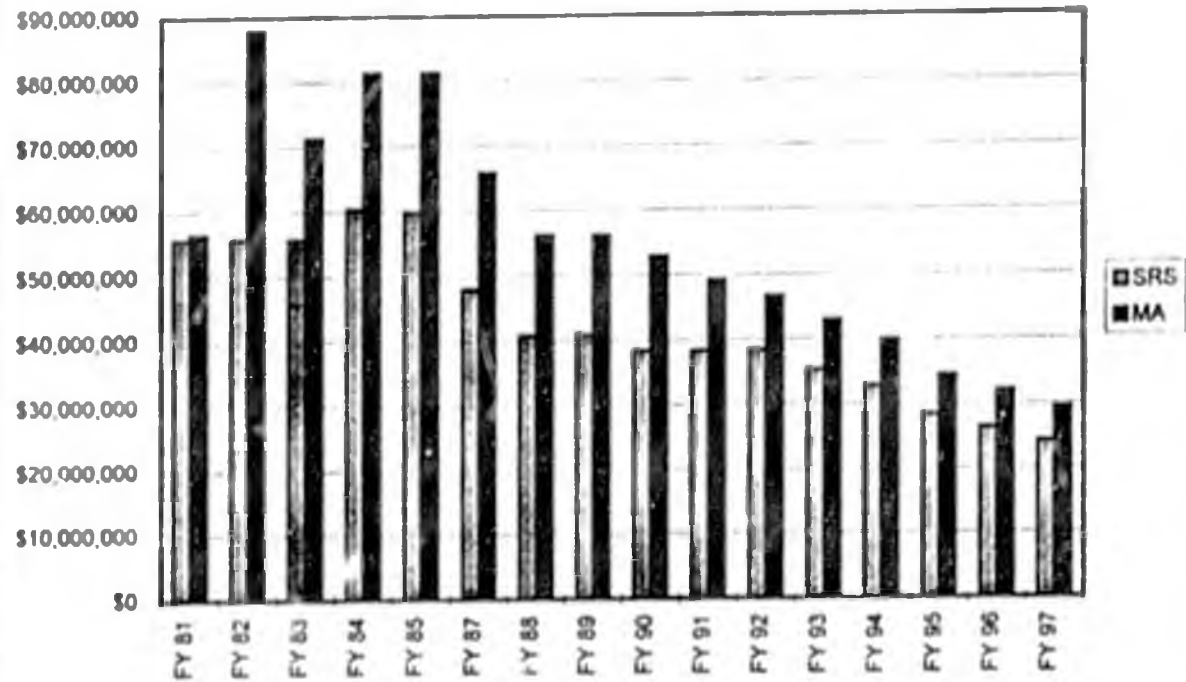
ATTEST:



Kevin C. Ritchie, Executive Director

Year	SRS	MA
FY 81	\$55,707,600	\$56,496,000
FY 82	\$55,707,600	\$87,920,546
FY 83	\$55,721,000	\$71,300,000
FY 84	\$60,350,000	\$81,306,800
FY 85	\$59,632,200	\$81,306,800
FY 87	\$47,879,100	\$65,856,500
FY 88	\$40,773,400	\$56,084,400
FY 89	\$40,773,400	\$56,084,400
FY 90	\$38,347,000	\$52,747,000
FY 91	\$38,347,000	\$49,103,200
FY 92	\$38,347,000	\$40,648,000
FY 93	\$35,279,200	\$42,916,200
FY 94	\$32,809,700	\$39,912,100
FY 95	\$28,240,133	\$34,364,367
FY 96	\$26,271,700	\$31,959,000
FY 97	\$24,170,000	\$29,402,300

Funding History of State Revenue Sharing and Municipal Assistance



HB

70

HB 70 Sectional Analysis

An Act relating to housing assistance provided by the Alaska Housing Finance Corporation and to its rural housing programs, to the corporation's supplemental housing development grants to regional housing authorities, and to housing programs of regional housing authorities; permitting regional housing authorities to make, originate, and service loans for the purchase and development of residential housing; amending definitions relating to various housing programs; and providing for an effective date.

Section 1

This section will allow regional housing authorities to originate and service loans in small communities of the state for the purpose of the purchase or development of residential housing.

Also, in areas not meeting the definition of a small community, a regional housing authority may borrow funds from the corporation and make those funds available to borrowers who cannot obtain financing through traditional mortgage sources. These borrowers would generally be persons of low-income whose financing needs are not currently met through existing conventional loan programs.

Section 2

Under the allowable uses of the supplemental housing development grant fund, infrastructure development for water and sewer could include both on-site and off-site facilities. For example, if a regional housing authority is constructing a water or sewer line to the site of a project, the cost of providing hook-ups for other homes located along the line could be included as part of the project cost paid by these grant funds.

Section 3

This language simply attempts to clarify the existing statute -- it does not make any substantive change.

Section 4

The Alaska Housing Finance Corporation is required to establish a priority system for the allocation of supplemental housing development grant funds used to pay for off-site water and sewer facilities established by Section 2.

Section 5

This section exempts projects under the Building Material Loan Program from energy standards provided under AS 18.56.096(c).

While the Alaska Housing Finance Corporation will support and encourage all projects to adhere to

energy standards, the costs of the inspections and energy ratings for these standards can represent an extraordinary percentage of the small loans under this program. These loans are intended and designed to help people in rural Alaska finish or improve their homes, use local materials in the construction of homes, or install wells or septic systems.

Section 6

This section exempts projects constructed under the Building Material Loan Program from construction standards provided under AS 18.56.300.

Again, AHFC will support and encourage all projects to adhere to good building standards. However, the inspections that would be required to insure these standards are met would represent an extraordinary percentage of the amount of the small loans under this program.

Section 7

Section 7 amends statute regarding the rural assistance loan program to allow for the refinancing of rural mortgages in the same manner as AHFC's mortgage programs allow for refinancing of urban loans. Current statute simply does not provide for refinancing as an option under rural loans. Rural residents of Alaska have not had the opportunity to benefit from the lower interest rates by refinancing their loans, as have most other individuals in Alaska and elsewhere in the United States. Under the Housing Assistance Loan Fund, a borrower would be required to do substantial improvements to their home as the only way to receive a new loan at a lower interest rate. This provision would allow for a refinance in which the borrower would not have to increase the loan amount to benefit from current low interest rates provided the borrower's refinance loan meets established eligibility criteria.

Additionally, Section 7 allows a rural assistance loan to be used to pay for the cost of third-party labor for a building materials loan. In other words, the loan could be taken out to not only cover the cost of the material for the improvements, but could also be used to cover the labor costs for the improvements. To restrict loan proceeds to materials only may serve to promote unqualified borrower's installation of materials, equipment, utilities, or appliances rather than installation by qualified professionals.

Section 8

This would allow AHFC to make loans for rural non-owner occupied housing, to the extent feasible, to someone who already has an AHFC loan for an existing owner-occupied residence.

The language in Section 8 would not change any current practice since AHFC already interprets this statute to allow a qualified borrower to have more than one non-owner occupied loan. Section 8 would clarify the statute to more clearly make this type of loan available.

Section 9

This expands the Building Material Loan Program to allow for small (\$20,000 or less) unsecured loans for borrowers who have either restrictive deed lands or have no title to their HUD Mutual Help home. These borrowers have financing needs for repairs and/or improvements to their homes, but are unable to pledge their home as collateral or have native restricted deed land that is cost prohibitive in obtaining required BIA approval for encumbering the property.

Section 10

This is a conforming change to coordinate this statute with the change being made in Section 12.

Section 11

This is a conforming change to coordinate this statute with the change being made in Section 12.

Section 12

The definition of non-owner occupied housing would be clarified as rental housing. The definition of a multi-family rental house is changed from an eight to a sixteen dwelling unit. Please note that the existing statute allows AHFC to modify this definition if AHFC determines there is special needs and qualified tenants that shows going beyond an eight unit project is warranted. Borrowers can save costs on projects with up the sixteen units by avoiding having to do a special determination as required by the current statute.

Section 13

Current statute limits the term "housing" to either single-family and owner-occupied duplexes. Section 13 would bring this term into compliance with industry standards that view the term "housing" as owner-occupied housing with up to four units. This is the standard that is used by the VA, FHA, Fannie Mae, Freddie Mac, and AHFC conventional urban loans.

This section would also increase the population base for communities eligible to participate in the rural loan program from 5,500 to 6,500 for communities not connected to Anchorage or Fairbanks by road or rail OR from 1,400 to 1,600 for communities on the road system. Currently, the population of Bethel is approaching 5,300 with a continuing pattern of growth. By increasing the population allowance, communities such as Bethel will remain eligible to participate in our rural loan program. Alternative financing is generally not available from national secondary market sources.

Section 14

This section allows the corporation to implement any necessary changes in regulation as a result of this legislation.

Section 15

An immediate effective date is provided



520 East 34th Avenue
Anchorage, AK 99503-4199
(907) 561-1900

P.O. Box 101020
Anchorage, AK 99510-1020

January 28, 1997

The Honorable Ivan M. Ivan
Alaska House of Representatives
State Capitol Building
Juneau, Alaska 99801

Subject: Request Hearing for HB 70

Dear Representative Ivan:

This letter is to request your consideration, as Chairman, for scheduling HB 70 for a hearing before the House Community & Regional Affairs Committee. This legislation relates to housing assistance and rural housing programs provided by the Alaska Housing Finance Corporation.

The impetus for this legislation is the need to improve housing conditions in rural parts of Alaska. Both the Board of Directors and the staff here at AHFC are aware of the conditions and situations in the remote parts of our state, and we have prioritized the improvement of housing in rural Alaska at the top of our agenda. Studies conducted in 1988 and 1991 clearly documented that rural households, on average, face overcrowded conditions in dwellings of poor physical condition. While AHFC has strived to meet this situation by requesting capital budget appropriations under our Weatherization and Supplemental Housing Development programs, we would also like to provide opportunities by developing our lending programs. This legislation will help us in this regard.

We look forward to working with you and the Community & Regional Affairs Committee on this legislation at your convenience. Please do not hesitate to contact me if you or your staff have any questions or comments you would like to discuss.

Sincerely,

A handwritten signature in dark ink, appearing to read "D. Fauske", is written over a horizontal line.

Daniel R. Fauske, CEO/Executive Director
Alaska Housing Finance Corporation

c: Governor's Office, Legislative Affairs

"Housing For All Alaskans"

Revision Date: _____ Dept. Affected: Revenue
 Title: Rural Mortgage Program BRU: AHFC
 Component: AHFC Operations, Rural Housing
 Sponsor: Rules Committee
 Requestor: Governor COMPONENT SERIAL NO. 110.1937

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

AHFC Operations: No affect on operating costs - language change only. For an analysis of the proposed legislation see the transmittal letter.

Prepared by: John Bitney
 Division: Alaska Housing Finance Corporation
 Approved by Commissioner: Wilson L. Condon
 Agency: Revenue

Phone: 561-1900
 Date: November 13, 1996
 Date: November 13, 1996

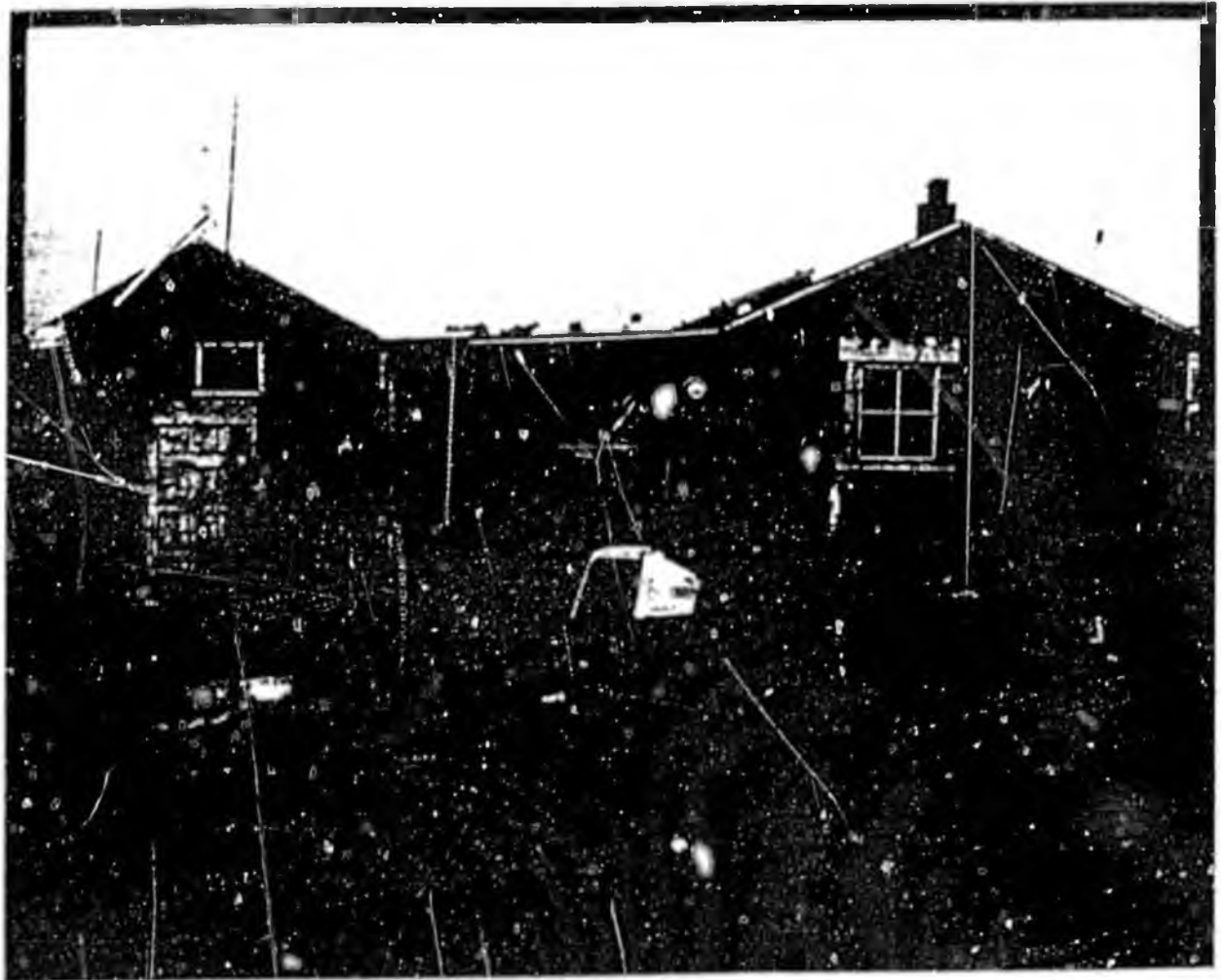
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1988 Rural Housing Needs Assessment Study

03167

D2
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M7
Rural Alaska Community Action
1988 Rural Housing Needs
Assessment Study

c.4



DOYON Region - Photo by Rob Stapleton, Jr.

State of Alaska
Steve Cowper, Governor



D2
5
M7
c.4

Department of Community
Regional Affairs
Ed G. Hoffman, Commissioner

Submitted in fulfillment under contract 88-0137 to the
Alaska Department of Community and Regional Affairs

by

Rural Alaska Community Action Program (Rural CAP)
ASK* Marketing/Information Search
Alaska Public Interest Research Group (AKPIRG)

March 1988

03167

PREFACE

The 1987 Alaska State Legislature passed Senate Concurrent Resolution 21 requesting the Department of Community and Regional Affairs to conduct an assessment of rural housing conditions and of the need for rural housing. The Alaska Department of Community and Regional Affairs contracted with the Rural Alaska Community Action Program (Rural CAP) to conduct a study of current conditions in rural housing and the need for additional rural housing.

Excluded under contract specifications, were: the Municipality of Anchorage, the City of Fairbanks, the City of Juneau, the City of Sitka, the City of Ketchikan and all military bases.

The study was conducted in two phases. In Phase I all the existing relevant information on housing conditions in Alaska was gathered and assessed. It was expected that a survey would need to be conducted to supplement and update existing data concerning rural housing.

In Phase II, a household-level survey was conducted. Housing authority directors, community planners and other key informants were also interviewed, and the information gathered was analysed to accurately assess the current conditions of rural housing stock and to project future housing needs.

This report contains the findings of the current housing conditions and needs in the rural Alaska.

March 14, 1983

- Rural Alaska Community Action Program (Rural CAP)
- Alaska Public Interest Research Group (AKPIRG)
- ASK* Marketing/Information Search

EXECUTIVE SUMMARY

The key findings of the 1988 Rural Housing Needs Assessment Study include:

● HOUSEHOLD SIZE AND OVERCROWDING

The average number of members per household in rural Alaska was 3.70. The average household size ranged from a low of 2.6 in Ahtna region to a high of 5.3 in NANA region. In comparison, Anchorage households have an average size of 2.72.

The Arctic Slope region had the highest percentage, (18.7%), of households with three or more generations per house. Calista region was second with 16.4% and Bering Straits region had 15.4%. Cook Inlet had only 0.9% of households with three or more generations.

Overcrowding conditions appeared to be the worst in the Calista and NANA regions. 29% of households in these regions had 100 or less square feet per resident..

The average house size ranged from 650 sq. ft. in Bering Straits region to 1,996 sq. ft. in Chugach region while the average was 1,162 sq.ft. In comparison, Anchorage households have an average of 1,635 square feet per house.

Nearly 87% of the houses in NANA region had less than 300 square feet. 81% of the houses in Calista region and 72% of the houses in Doyon region were less than 300 sq ft.

The average square footage per resident ranged from 616 sq. ft. per resident in the Cook Inlet region to 137 sq. ft. per resident in the Bering Straits region. The survey average was 333 sq.ft. per resident. In comparison, Anchorage had an average of 600 sq. ft. per resident based on an average household size of 2.72 and 1,635 average sq.ft. per residence.

● PHYSICAL CONDITION OF DWELLINGS

43% of the house foundations needed major repair in Bristol Bay region. 57% of the houses in Bristol Bay region and 43% of houses in Ahtna region needed major repair.

The highest percentage of houses rated in need of replacement by region was Ahtna with 21%, followed by Doyon region, 17%, Aleut region, 10% and NANA region, 10%.

The total 6,740 new houses needed was determined by consolidating the total number of homes needing immediate replacement with the total number of households with three or more generations. Doyon region alone accounted for 3,169 of the new houses needed.

Comments and observations from field interviewers included several inches of glaciation on walls and windows, snow-filled attics, badly damaged roofs and siding from high winds, and seriously heaved foundations. Without correction, foundation heaving negates most benefits from weatherization activities since windows and doors become warped or separated from the house frame.

• SIGNIFICANCE OF FINDINGS AND ESTIMATED COST OF CORRECTIVE ACTION

Although conditions vary widely, the inescapable conclusion apparent from the survey results is that housing in rural Alaska has dramatically poor housing conditions in terms of space per resident and state of repair. Crowded multi-generational families occupying dwellings in run-down condition is far too prevalent.

Based on the current costs for rural housing of \$116,000 per new house as described in this report, \$781,813,000 will be needed to build the estimated 6,740 houses.

If 6,740 houses were built to provide new housing for homes needing immediate replacement and new houses for the displaced third or fourth generations, overcrowded conditions in rural Alaska would still be a problem.

In order to address crowded conditions not due to multi-generational households three enhancement levels were examined:

- Replace/add to houses with 200 sq. ft. or less per resident
- Replace/add to houses with 250 sq. ft. or less per resident
- Replace/add to houses with 300 sq. ft. or less per resident

Two solutions were considered: a 320 sq. ft. addition at a cost of \$15,000 or, if the addition did not alleviate the conditions, a new house at a cost of \$116,000. This \$15,000 figure is based on the average cost of a BIA housing addition under the HIP program.

It was estimated that a total of approximately 19,188 houses had 200 sq. ft. or less per resident; 15,088 of these would require an addition while 4,100 need new houses. Based on current costs and excluding homes needing replacement, \$491,717,000 would be required to alleviate overcrowding at the 200 sq. ft. level. At the 250 sq. ft. level, \$692,243,000 would be required, and at the 300 sq. ft. level, \$882,521,000 would be required.

The combined cost of providing new housing for homes needing replacement; third and fourth generations needing a home; and additions or new homes to alleviate overcrowding at 250 sq. ft. or less per resident was \$1,474,056,000.

- NEED FOR A COORDINATED, COMPUTERIZED HOUSING INFORMATION SYSTEM

In the course of acquiring data for this study, the foundation for an excellent statewide population and demographic computer database was laid. It was also determined that there is a definite need and interest to establish a central computer database with dial-in access for weatherization contractors.

Although the State of Alaska Weatherization Office collects summary data from all weatherization contractors, they do not maintain a computerized database. The result is that there is no way to analyze statewide data or to create reports as needed.

We are aware that there have been discussions with the Department of Energy to which the DCRA Weatherization program submits reports. It is important that any planning for a coordinated, computerized data collection and reporting system include the capture of essential community demographic and housing data. This information is valuable for planning and monitoring of key social and economic trends statewide. Coordination with the AK Department of Fish and Game's subsistence database must also be included.

Major benefits obtained from this will lower administration costs, improved reporting, forecasting support, improved coordination of information between agencies.

- POTENTIAL FOR SMALL-SCALE MANUFACTURING AND LOCAL JOBS

From the period of 1980 through to and including 1988, the weatherization program represents a significant ongoing residential construction program in Alaska, estimated to include over \$9.1 billion in materials alone. When we consider this plus the added economic contribution of a major rural housing program which can be valued at approximately \$1.2 billion to add to the existing housing stock and remedy deficient dwellings, the potential exists to aid the development of Alaskan-based wood products, thermal window and insulation manufacturing. With adequate market planning, local industries could leverage off the in-state market for export.

We suggest that an economic feasibility study be commissioned to examine the various aspects of this.

RESULTS AND SUMMARIES TABLES

The following table shows a profile of housing regions addressed by this study. Specifically excluded were: the Municipality of Anchorage, the City of Fairbanks, the City of Juneau, the City of Sitka, the City of Ketchikan and all military bases. Population was divided by survey household size data to estimate the total number of households per region. The number of households is used in several of the following tables.

REGIONAL PROFILES

	1985 Population	Percent of Population	Number of Communities	Number of Households
Ahtna	3,034	1.4%	18	1,167
Aleut	3,783	1.8%	13	1,401
Arctic Slope	5,389	2.5%	7	1,225
Bering Sts	7,770	3.6%	19	1,646
Bristol Bay	7,033	3.3%	30	2,164
Calista	18,473	8.6%	49	4,078
Chugach	8,916	4.1%	8	2,630
Cook Inlet	73,142	34.0%	36	24,060
Doyon	47,849	22.3%	61	15,688
Koniag	11,221	5.2%	7	3,134
NANA	5,790	2.7%	11	1,129
Sealaska	22,479	10.5%	53	6,075
TOTAL	214,879	100.0%	314	64,397

The three most heavily populated regions are Cook Inlet, Doyon, and Sealaska. The three regions with the most communities, excluding the five above-mentioned cities, are Doyon, Sealaska, and Calista. Bristol Bay, Calista, and Sealaska regions have large numbers of communities with small percentages of the total population. This suggests a wider distribution of fewer homes per community which may have implications on fixed costs such as transportation.

LIVING SPACE

The following table illustrates the average amount of living space per resident. It was derived from the survey results. This information should be contrasted with Anchorage which has an average square footage of approximately 1,635 square feet for family residences. With an average household size of 2.72, Anchorage households have an average of 600 square feet per resident. (Source: MOA Property Appraisal Office)

AVERAGE SQUARE FEET PER RESIDENT

Region	Avg SqFt Per House	Avg # Res/HH	Average SqFt/Res
Bering Sts	650	4.7	137
NANA	731	5.3	138
Calista	661	4.5	146
Doyon	686	3.1	223
Koniag	982	3.6	271
Arctic Slope	1,229	4.4	281
Ahtna	808	2.6	312
Bristol Bay	1,303	3.3	401
Sealaska	1,509	3.7	408
Aleut	1,411	2.7	517
Chugach	1,996	3.4	589
Cook Inlet	1,885	3.1	616
TOTAL	1,162	3.7	333
Anchorage	1,635	2.72	600

The average square footage per resident was smallest for the Bering Straits, NANA, and Calista regions. In the Bering Straits region, the average resident lived in 137 square feet of space; in Calista, the average resident lived in 138 square feet of space; and in NANA, the average person lived in 146 square feet of space. Six regions of the twelve (Bering Straits, NANA, Calista, Doyon, Koniag, and Arctic Slope) have an average square footage per resident less than 300. Only Cook Inlet region had an average greater than Anchorage.

GENERATIONS PER HOUSEHOLD

The following table shows the estimated number of family generations per household by region. An example of a three generation family would be grandmother, mother, daughter. A household with mother, mother's sister, and daughter would be considered a two-generation and not a three-generation family. This is another important way of considering the available living space and housing needs and may have an effect on housing programs in terms of whether three or four generation households prefer new homes or additions to their homes. This report presents housing needs based on an assumption that 100% of these three and four generation households require additional housing for each added generation. This may or may not be the real world case. Any alternative proportion of need in this category can be readily calculated as the reader may require.

NUMBER OF GENERATIONS PER HOUSEHOLD

	Avg # Res/HH	Avg # Gener/HH	% HH with 3 or more Generations	# HH with * 3 or more Generations
Arctic Slope	4.4	2.1	18.7%	229
Calista	4.5	1.9	16.4%	669
NANA	5.3	1.9	15.4%	174
Bering Strs	4.7	1.9	10.6%	174
Ahtna	2.6	1.5	8.4%	98
Koniag	3.6	1.8	7.5%	235
Sealaska	3.7	1.8	6.5%	395
Bristol Bay	3.3	1.7	6.3%	136
Chugach	3.4	1.7	5.3%	139
Aleut	2.7	1.5	3.4%	48
Doyon	3.1	1.7	3.2%	502
Cook Inlet	3.1	1.7	.9%	217
TOTAL	3.7	1.8		3,016

The average number of generations per household was highest in Arctic Slope, Berings Straits, Calista, and NANA. Arctic Slope had the highest percent of households with three or more generations at 18.7%. Over 16% of Calista households had three or more generations followed by NANA at 15.4% and Bering Straits at 10.6%. The total number of households with three or more generations was over 3,000 or 5% of the total households.

*See Regional Profile for total number of households per region